



REPORT TO EXECUTIVE

PORTFOLIO AREA: ENVIRONMENT & HOUSING

Date of Meeting: 26th July 2011

Public

Key Decision: No

Recorded in Forward Plan:

Yes

Inside Policy Framework

Title: CUMBRIA STRATEGIC WASTE PARTNERSHIP'S ENHANCED PARTNERSHIP, WORKING PROJECT CONCLUSIONS OF STAGE 1

Report of: The Assistant Director Local Environment

Report reference: LE13/11

Summary: The meeting of the Executive held on 14th March 2011 approved the Council's participation in the Cumbria Strategic Waste Partnership's 'Enhanced Partnership Working Project' as detailed in Report ref LE 02/11. This report summarises the conclusions of Stage 1 of the project and outlines the work to be undertaken in Stage 2.

Recommendations: It is recommended that:

- (i) That Members receive the conclusions of Stage 1 of the Cumbria Strategic Waste Partnership's Enhanced Partnership Working Project;
- (ii) That the conclusions of Stage 2 of the Cumbria Strategic Waste Partnership's Enhanced Partnership Working Project are reported to a future meeting of the Executive.

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

1. BACKGROUND INFORMATION AND OPTIONS

- 1.1 The Enhanced Partnership Working (EPW) Project has its origins in a Cumbria Improvement & Efficiency Project (CIEP) funded project in 2010 to assess the available options for enhanced partnership working between the members of the Cumbria Strategic Waste Partnership (CSWP) with a view to realising cashable efficiencies. Given the value of municipal waste management across Cumbria, both in financial terms and as a service provided to every household in the county, the outcomes of the EPW project are potentially significant to this authority. The Council is represented on the EPW Project Board by the Environment Portfolio holder and on the Project Delivery Team by the Assistant Director Local Environment. The governance arrangements for the EPW project is summarised in Appendix 1.
- 1.2 Stage 1 of the EPW project has produced the following:
- (i) Project Plan (including Risk Register and Communications Strategy);
 - (ii) Vision Statement: *‘Working in partnership with our communities we will provide the residents of Cumbria with reliable, environmentally friendly services that deliver value for money’*;
 - (iii) Project elements: In effect these represent the substance of the EPW project and are the result of the original CIEP funded project and the ‘one to one’ meetings recently conducted between the EPW Project Manager and the Leader of the Council, Environment Portfolio holder, Chairman of Environment Overview & Scrutiny Committee and senior officers of the Council. The individual project elements will be appraised in Stage 2 of the EPW project and are listed in Appendix 2;
 - (iv) Memorandum of Understanding (MoU): A MoU for Stage 2 of the EPW project has been produced and circulated to each of the participating authorities for their respective Chief Executives to sign. The MoU is attached as Appendix 3 and includes the following elements:
 - provides a link back to the CSWP;
 - defines the parties involved;
 - outlines the partnering ethos;
 - details the vision;
 - summarises the governance, reporting and communication requirements.

1.3 Stage 2 of the EPW project will appraise and evaluate the project elements listed in Appendix 2 against the following 4 key criteria:

1.3.1 Does the Project Element deliver savings?

An assessment will be made for each Project Element in respect to its financial impact against 2010/11 baseline costs:

- to the partnership as a whole; and
- to each Authority involved.

The appraisal will consider the number of Authority's that would need to be involved in order to make the delivery of the Project Element viable.

1.3.2 What impact will the delivery of the Project Element have on service levels?

An assessment will be made in respect to how each Project Element will improve, maintain or reduce service levels in respect to:-

- Service performance;
- Range of recyclable materials collected;
- No of properties receiving kerbside recycling service;
- Level of complaints;
- WRAP Waste Collection Commitment;
- Health and safety

1.3.3 What impact will the delivery of the Project Element have on carbon emissions?

An assessment of whether the Project Element will reduce, maintain or increase the levels of carbon produced by the Partnership. In essence will the Project Element have a positive or negative effect on the environment?

1.3.4 Evaluation Question 4 – How deliverable is the Project Element?

An assessment will made of each Project Element in respect to:-

- Contractual deliverability – How does the Project Element fit with existing WCA and WDA contracts, what impacts would their be on existing contractual arrangements if the Project Element is delivered?

- Political deliverability – What are the potential political barriers that may effect delivery;
- Interdependency – Does delivery of the Project Element depend on other projects/work streams inside or outside the scope of the EPW Project?
- Governance/delivery structure – will the current governance structure be suitable for the implementation and delivery of the Project Element, if not what could be suitable?

1.4 The results of the appraisal and evaluation as detailed in paragraph 2.3 above will be presented to the CSWP EPW Project Board at its meeting on 12th October 2011. In addition to receiving the evaluation report detailing the outcomes of the evaluation, the CSWP will receive an Outline implementation business case for each Project Element. The key milestones for the project are summarised below.

Date	Event	Scope of Report
13 th July 2011	Cumbria Leadership Board	Project update
10 th August 2011	Cumbria Chief Executive Group	Project update
7 th September 2011	CSWP EPW Board	Project Update
12 th October 2011	CSWP EPW Board	Presentation of products from stage 2
Nov/Dec 2011 (TBA)	Executive/Cabinet	Agreement on Project Elements to progress into delivery

2. CONSULTATION

2.1 Consultation to Date.

2.2 Consultation proposed.

3. RECOMMENDATIONS

It is recommended that:

- (i) That Members receive the conclusions of Stage 1 of the Cumbria Strategic Waste Partnership's Enhanced Partnership Working Project;
- (ii) That the conclusions of Stage 2 of the Cumbria Strategic Waste Partnership's Enhanced Partnership Working Project are reported to a future meeting of the Executive.

4. REASONS FOR RECOMMENDATIONS

To ensure that the Council is properly appraised of the progress of a project which will have a major impact on the future development of municipal waste management in Cumbria.

5. IMPLICATIONS

- Staffing/Resources – Continued participation in the 'Enhanced Partnership Working Project' will require commitment in the form of Officer and Member time and energy.
- Financial – Continued participation in the 'Enhanced Partnership Working Project' will not require any financial contribution from the Council. Any final recommendations from the Project will be brought back to the Executive at a later date for any financial implications.

- Legal – The position of the various parties is that this project is an informal arrangement underpinned by a non-contractual memorandum of understanding. Providing that this position is maintained then there are no legal comments at this time.
- Corporate – It is considered that the Council's continued participation in the 'Enhanced Partnership Working Project' will not have any direct corporate implications. However, any proposals resulting from the project may have corporate implications.
- Risk Management – It is considered that there would be a significant risk to the Council if we fail to engage with the 'Enhanced partnership Working Project'.
- Environmental – None
- Crime and Disorder – None
- Impact on Customers – None
- Equality and Diversity – None

Impact assessments

Does the change have an impact on the following?

Equality Impact Screening	Impact Yes/No?	Is the impact positive or negative?
Does the policy/service impact on the following?		
Age	No	
Disability	No	
Race	No	
Gender/ Transgender	No	
Sexual Orientation	No	
Religion or belief	No	
Human Rights	No	
Health inequalities	No	
Rurality	No	

If you consider there is either no impact or no negative impact, please give reasons:

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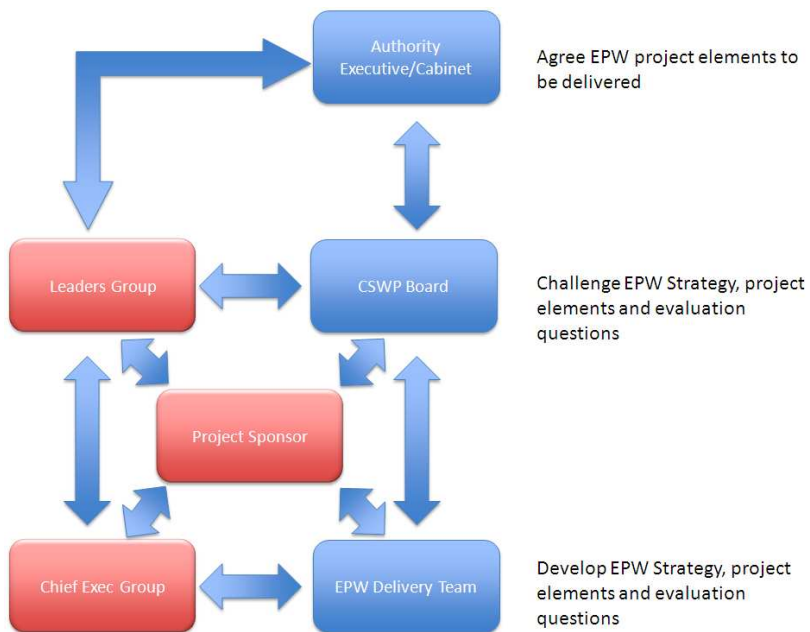
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If an equality Impact is necessary, please contact the P&P team.

Cumbria Strategic Waste Partnership 'Enhanced Partnership Working Project'

Project Governance:



Enhanced Partnership Working Project: Scope of Project Elements:

1. Project element 1: Maximising and sharing the benefits of expected spare treatment capacity

The 2 County treatment facilities being developed will be able to treat a maximum of 150,00tpa of residual waste. The opinion emanating from the members workshop held on the 2nd June was to ensure that residual waste in Cumbria does not exceed this capacity. Current residual waste tonnages are below the capacity and as such if waste levels stay at current levels there will be spare capacity to fill in the facilities.

Aim of project element 1:

- a) To ascertain what spare capacity there may be over the next 20 years of operating.
- b) To identify options for utilising or maximising the benefit to the Partnership of the spare capacity.

2. Project element 2: Maximising the benefit from trade waste services:

Section 47 of the Environmental Protection Act 1990 states that a Waste Collection Authority has a duty to collect commercial waste from non-domestic rated premises when requested to do so. In doing so, the Council can administer a reasonable charge for providing this service. The government is currently in the process of reviewing waste policy and it is likely that as part of this review they will be asking the waste industry for the best way to manage trade waste to increase recycling and decrease overall tonnage. Unlike domestic waste there are currently no statutory targets for recycling trade waste the only deterrent to prevent this waste going to landfill is the rising cost of landfill tax. The Cumbria Minerals and Waste development Framework, Core Strategy states that retail, commercial and other services account for 40% of the region's total commercial and industrial waste arisings and the amount of commercial and industrial waste managed in Cumbria in 2004/5 was recorded as 541,944 tonnes, of which 291,500 tonnes (54%) were landfilled.

Aim

- a) Review the current range of services offered to trade waste customers in Cumbria by the Authorities
- b) Identify potential changes to trade waste service provisions, which may deliver value to the Authorities.

3. Project element 3: Maximising the value of recyclables:

Recyclables are currently managed by each authority separately via short term of ad hoc contract arrangements.

Aim

- a) Provide clarity of the current arrangements and how long they run for
- b) Identify the total tonnes of material collected in 2010/11
- c) Propose options for increasing the value received for materials

4. Project element 4: Joint procurement:

Each authority has separate arrangement with suppliers for the provision of:-

- Agency staff;
- Vehicles; and
- Consumable e.g. bins, boxes, bags.

Procuring these items through an existing framework or together may deliver value to the Partnership authorities.

Aim

- a) To understand the value and type of items procured in 2010/11;
- b) To identify potential frameworks /procurement clubs that the Authorities could use to purchase items;
- c) To identify when large future purchases are to be made by the authorities and assess how these could be managed to obtain items at least cost

5. Project element 5: Optimising data management

Each authority has different systems to manage data. Data is managed in order to:-

- Report quarterly through Waste Data Flow to the Environment Agency
- Monitor performance in order to drive efficiencies, claim recycling rewards and report against BVPI targets
- Manage private sector contracts (for some)

Aim

- a) To understand:-
 - What data is collected and from where
 - Why it is collected;
 - How it is collected and stored (systems)
 - What happens to the data after it has been produced

- b) To identify duplication of work and understand the reasons for it.
- c) To ascertain how systems could work more effectively i.e. through standardised data forms and automated data collection.

6. Project element 6: Effective and efficient customer communications

Each authority within Cumbria will carryout proactive communications with their residents i.e. in the form of leafleting new collection systems as well as reactive communications predominately through their Contact/Call centres).

Aim

- a) To ascertain the routes through which the residents of Cumbria are communicated with and the reason for the communication in order to identify parts of the process that are wasteful.
- b) To provide transparency of the cost of both proactive and reactive communications with residents

7. Project element 7: Applying the proximity principle to waste collection

Cumbria is a largely rural County, some properties that lie near the boundary of one District are geographically closer to the operational centre of a neighbouring authority. As such it could be easier and more cost effective for the neighbouring authority to collect from these properties.

Aim

- a) To ascertain the number of properties that maybe effected.
- b) To ascertain if it's operationally feasible, in terms of collection systems for one authority to collection waste from properties that lie in a different authority boundary.

8. Project element 8: Co-ordinating waste collection systems

No two authorities in Cumbria provide waste collection services in the same way. In order to understand the advantages of co-ordinating collections systems between 2 or more authorities it is also important to understand the rational for why they are delivered in the way they are delivered and the obstacles to change. Many authorities across the Country are looking at how savings could be generated through co-ordinating collection systems across District/Borough boundaries.

Aim

- a) To provide a greater understanding of waste collection methodologies and costs in Cumbria as a whole
- b) To identify when Authorities could look to co-ordinate services and what services could be co-ordinated.

9. Project element 9: Impact of Waste Disposal Authority Service Review on Waste Collection Authorities

The County Council are in the process of reviewing the delivery of services in order to deliver £2m of savings in 2011/12. It is important to understand the effect that these may have on other parts of the waste system specifically the waste collection and street cleansing operations.

Aim

- a) To consider how changes to the operation of the HWRS's and other elements of the waste disposal functions may impact on services provided by the WCA's including street cleansing and waste collection.

10. Project element 10: Alternative delivery models/structures for delivering waste services in Cumbria.

Cumbria currently provides waste services via a two-tier delivery system, the Districts are responsible for collecting the waste and County for disposing of waste. Other authorities are looking at more cost effective and customer focused ways of delivering services to their residents

Aim

- a) Identify alternative models for the delivery of waste services

11. Project element 11: Maximise the benefit to the CSWP on providing 'bring site' recycling recycling:

A review of the arrangements for 'bring site' recycling across Cumbria revealed a wide variation in the costs charged by contractors to Waste Collection Authorities for similar services.

Aim:

To develop a strategic approach regarding the provision of 'bring site recycling in Cumbria with the overall aim of delivering cashable efficiencies for the Waste Collection Authorities who provide this popular service.

Appendix 3

CSWP EPW Project – Memorandum of Understanding

1 BACKGROUND

- 1.1 The Enhanced Partnership Working Project (referred to in the rest of this document as The Project) has been initiated through the Cumbria Strategic Waste Partnership.
- 1.2 The Cumbria Strategic Waste Partnership (CSWP) has an existing Memorandum of Understanding (MoU), which was signed by the CSWP Board Members in 2006.
- 1.3 The CSWP MoU:-
 - 1.3.1 Sets out in simple, non legalistic terms the way in which the partnership will work together on waste management issues; and
 - 1.3.2 Clarifies and records the responsibilities of the partners to the CSWP MoU individually and collectively, including to each other.
- 1.4 The CSWP goals listed in CSWP MoU are to:-
 - 1.4.1 Modernise Cumbria's approach to municipal waste management so that it contributes to a sustainable Cumbria;
 - 1.4.2 Implement a sustainable waste management programme; and
 - 1.4.3 Maximise the economic, environmental and social benefits to the people of Cumbria when managing waste.
- 1.5 The Governance structure set out in the CSWP MoU consists of:-
 - 1.5.1 **A Business Partnership Board** consisting of members from each authority and that will review and provide advice in respect to performance and strategy. The board has no delegated Executive powers.
 - 1.5.2 **An Officers Group** consisting of officers from each authority who are responsible for developing county wide waste strategy; ensuring appropriate service developments and reviewing and monitoring performance.
- 1.6 The CSWP MoU sets out the voting, administration and dispute resolutions, which shall also be applied to the EPW Memorandum of Understanding (referred to in this document as The Memorandum).

2 PURPOSE OF THE ENHANCED PARTERSHIP WORKING MEMORANDUM OF UNDERSTANDING

- 2.1 The purpose of this Memorandum is to set out in simple, non-legalistic terms the way that the Partners will work together in pursuit of the Vision of The Project and to contribute to the goals of CSWP.
- 2.2 The Memorandum is not a legal document and cannot restrict or constrain Partners in pursuit of executing their legal and regulatory responsibilities in relation to waste management.
- 2.3 The Memorandum shall exist for the duration of the Project phases set out in 2.3.1 and 2.3.2 below. The phases of The Project consist of:
 - 2.3.1 Scoping and evaluation – during this phase specific elements of The Project will be scoped and appraised against a set of agreed evaluation questions as set out in the Project Plan.
 - 2.3.2 Business case development – a business case will be developed for delivering elements of The Project.
 - 2.3.3 Delivery – those elements of The Project for which a viable Business Case exists and which the Partners agree to be carried out.
- 2.4 A new Memorandum of Understanding will be developed and agreed for the delivery phase of The Project.
- 2.5 This Memorandum can be revised by agreement of all Partners at any time.

3 PARTIES

- 3.1 This Memorandum is between:
 - Allerdale Borough Council
 - Barrow Borough Council
 - Carlisle City Council
 - Copeland Borough Council
 - Cumbria County Council
 - Eden District Council
 - South Lakeland District Council
- 3.2 The above will be known collectively as “the Partners”.

4 PARTNERING ETHOS

- 4.1 Each Partner shall:
 - 4.1.1 act reasonably and co operatively with the other Partners;

- 4.1.2 provide in a timely manner information required to develop and appraise each element of The Project. This may include but not be limited to financial and contractual information in respect to current service provision; composition and volume/tonnage of waste; arrangements with third party processors or delivery partners; costs of internal support functions;
- 4.1.3 to work together in a spirit of mutual trust, support and respect, and to ensure that any difficulties or differences of opinion that arise are addressed quickly, honestly and openly;
- 4.1.4 highlight early any risks or issues in respect to meeting the EPW stage 1 and 2 programme.

5 VISION

- 5.1 The Partners have adopted the following vision that shall inform the work and the outputs of the Project;
“Working in partnership with our communities we will provide the residents of Cumbria with reliable, environmentally friendly waste services that deliver value for money”
- 5.2 The Project will aim to deliver the vision by 2015.

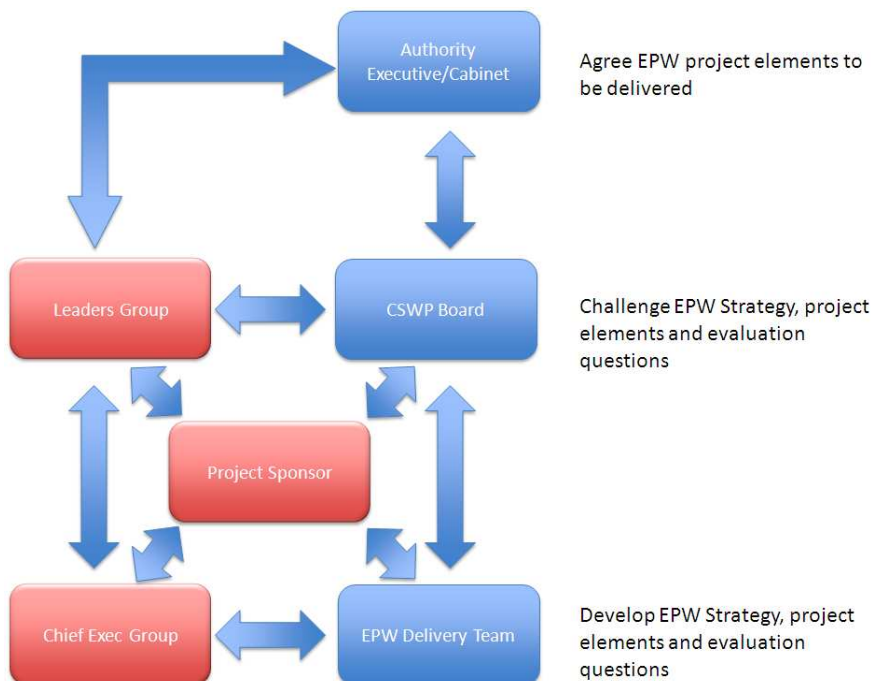
6 PROJECT SCOPING AND EVALUATION

- 6.1 The Partners will work together to scope and develop the Project Elements of The Project, which will be evaluated against the agreed evaluation questions as set out in the Project Plan (appendix 1).
- 6.2 In scoping the elements the Partners agree that:-
 - 6.2.1 All elements shall be evaluated:-
 - Independently in such a way that allows each Partner to consider the merits of participating independently of other Partner Authorities, as part of a wider group of Partners or not participating at all;
 - As part of a wider programme of elements coming together.
 - 6.2.2 Where an element of The Project is taken forward it shall be progressed in such a way that it contributes to achieving the Vision.
 - 6.2.3 All costs and/or benefits associated with delivering an element of The Project shall be set out in a clear and transparent way that demonstrates their impact on the ‘whole system costs’ of waste management in Cumbria.
 - 6.2.4 Consideration shall be given to those elements of The Project that deliver cost savings / efficiencies to Partners in the short and medium term.

- 6.2.5 Back office functions that support the delivery of waste management in Cumbria should be included as an element of The Project.

7 GOVERNANCE & REPORTING

7.1 The diagram below outlines the governance structure to support The Project.



7.2 Project Sponsor

7.2.1 The Chief Executive from Barrow Borough Council will provide the role of Project Sponsor for The Project.

7.2.2 The role of the Project Sponsor shall be to:-

- Provide a conduit through which the views of the Chief Executives can feed into the Project.
- Provide directional support to the Enhanced Partnership Working Delivery Team (referred to further in this documents as The Delivery Team) in scoping the elements of the Project and the evaluation questions.
- Support the Delivery Team in communicating the vision of The Project with Members and Officers of the Partnership.

7.2.3 EPW Delivery Team

- The CSWP has nominated the Delivery Team. The Delivery Team consists of representatives from each of the Partner authorities.
- The Delivery Team will over see the development and management of the Project Plan including risk register, communications strategy and programme

- The Delivery Team will scope the elements of The Project and the evaluation questions.
- The Delivery Team will report progress against project milestones and make recommendations to the CSWP to progress The Project.
- The EPW Project Delivery Team shall meet at relevant intervals that allow it to report progress at each of the scheduled meetings of the CSWP that take place during the lifetime of The Project.
- Each month the Delivery Team shall prepare and present a Project Highlights Report that shall include but not be limited to:
 - Progress against Milestones & Task Deadlines
 - Outturn and Forecast Project Budget
 - Update of Risks and Issues
 - Changes to scope
 - Key dates

8 PROJECT BUDGET

- 8.1 The budget for the scoping and evaluation and business case development phases has been agreed. Any additional money, which may be required, to progress The Project will be agreed by the Partners.

9 COMMUNICATIONS

- 9.1 The EPW Communications Plan (“the Communications Plan”) shall direct the methods, frequency and form of all internal and external communications related to the Project.
- 9.2 The Communications Plan shall not limit or restrict the duty of each Partner to ensure that emerging issues, outcomes, or Delivery Projects are properly considered within each Partner authority.

Memorandum Signatories:

On behalf of Allerdale Borough Council

On behalf of Barrow Borough Council

On behalf of Carlisle City Council

On behalf of Copeland Borough Council

On behalf of Cumbria County Council

On behalf of Eden District Council

On behalf of South Lakeland District Council