

WASTE DEVELOPMENT FUND
WDA/20/18

Recommendation

That:

1. Members note the assurance provided by District Councils regarding the way they have spent the monies allocated to them from the Waste Development Fund on actions that achieve the shared objectives of the Joint Recycling and Waste Management Strategy.

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WASTE DEVELOPMENT FUND**WDA/20/18****Report of the Chief Executive****1. Purpose of the Report**

- 1.1 In April 2014 the Authority distributed its Waste Development Fund of £28.9M to constituent District Councils. The Fund was distributed under the terms of a Memorandum of Understanding, signed by all parties, which established the basis for the distributed funds to be utilised. The Funds were to be used to support the delivery of the objectives of the Joint Recycling and Waste Management Strategy for Merseyside (JRWMS).
- 1.2 As a part of the Memorandum of Understanding the District Councils were required to write to the Authority setting out how they have utilised their share of the fund, so that a report on how the funds have been used in pursuit of the JRWMS can be provided for Members of the Authority. This report meets that requirement.

2. Background

- 2.1 A report to Members on 31st January 2014, WDA/02/14 set out the consultation that had taken place with Constituent District Councils on Joint Working proposals. It was agreed that the Authority's Sinking Fund should be transferred into a Waste Development Fund.
- 2.2 Legal advice which was commissioned jointly by the Authority and the District Councils confirmed that the Authority has only limited powers, and that these are limited to waste and waste related activities. Should the Authority distribute any monies to District Councils it was obliged to put in place arrangements, agreed with the Districts, which would provide it with assurances that the funds had been utilised for these limited purposes and not for non-waste related activities.
- 2.3 The report set out proposals for distributing the Waste Development Fund among constituent District Councils, for them to utilise in pursuit of the objectives of the JRWMS as all parties recognised that the District Councils were best placed to achieve those shared objectives locally.

- 2.4 The report confirmed that under the MoU, each year the District Councils would write to the Authority setting out what they had been able to do with the funds in pursuit of the shared objectives of the JRWMS. At the same time the Authority agreed that a report would be made in September confirming to the Authority how the distributed funds had been applied by the constituent District Councils.
- 2.5 The Chief Executive has written to each constituent District Council's Chief Executive to seek an update on how the funds apportioned to them have been utilised; the Councils' responses are summarised in the section 4 of this report. This is the third report to the Authority on how those funds have been applied by the Councils.

3. Waste Development Fund

- 3.1 The Waste Development Fund was distributed to constituent District Councils as follows:

District Council	Amount £
Knowsley	3,209,864
Liverpool	9,288,542
St Helens	3,800,719
Sefton	5,937,299
Wirral	6,701,613
Total	28,938,036

- 3.2 The distribution of the fund to District Councils was on the same basis and in the same proportion that the funds had been collected from Districts over a number of earlier years.
- 3.3 In September each year, Members will continue to receive a report on the performance of the Development Fund until it has been fully utilised.

4. The Councils' utilisation of waste development funds

4.1 The Councils have been asked to provide an update on how they have utilised the fund is distributed under the Waste Development Fund during 2017-18. Their responses to date are summarised as follows:

Knowsley Council

Scheme	2015/16 £M	2016/17 £M	2017/18 £M	2018/19 Planned £M	Total £M
Waste Collection Vehicles Replacement	0.585	0.741	0.947	0	2.273
Waste Collection Vehicles Refitting	0.029	0	0	0	0.029
Waste Collection Route Optimisation	0.054	0	0	0	0.054
In cab technology licences	0.011	0.010	0.010	0.010	0.041
Publicity and communications	0.015	0.019	0	0	0.034
Replacement bins (green waste and co-mingled recycling)	0.121	0.109	0.048	0.061	0.339
Deferral of Green Waste Charges	0.386	0	0	0	0.386
Skip hire for leaf fall residue	0	0.010	0.010	0.010	0.030
Palm recycling subscription	0	0.008	0	0	0.008
ILM superannuation costs	0	0	0.006	0.010	0.016
TOTAL	1.201	0.897	1.021	0.091	3.210
Balance					0

4.2 The Council has reviewed the planned spending and has provided assurance that in its view the expenditure will contribute to meeting the shared objectives of the JRWMS.

Liverpool City Council

4.3 The Council has fully utilised the funds allocated to it under the terms of the MoU to contribute to meeting the shared objectives of the JRWMS. As

the expenditure by LCC was reported to the Authority under the terms of the MOU in previous years there is no longer a requirement for any reporting back to this Authority regarding the way the funds were allocated for use.

Sefton Council

Scheme	2014/15 £M	2015/16 £M	2016/17 £M	2017-18 £M	Total £M
Plastic and Cardboard recycling and collection service	2.354	0	0	0	2.354
Comingled recycling, Food waste collections and Garden Waste collections	0	0.282	2.247	0.153	2.682
Litterbin recycling	0	0	0.172	0	0.172
One off contribution to address the annual increase to the Levy payment in 2016-17 (and beyond)	0	0	0.320	0	0.320
Total	2.354	0.282	2.739	0.153	5.528
Balance					0.409

- 4.4 The Council has made plans to utilise the funds on waste related services in future years. The Council has reviewed the actual and planned spending and has provided assurance that in its view the expenditure will contribute to meeting the shared objectives of the JRWMS.

St Helens Council

Scheme	2015/16 £M	2016/17 £M	2017/18 £M	Total £M
Trollibocs Recycling scheme trial	0.041	0	0	0.041
Recycling Vehicles and modifications	0	0.064	0.153	0.217
Total	0.041	0.064	0.153	0.258
Balance				3.543

4.5 The Council has reviewed the actual and planned spending and has provided assurance that in its view the expenditure will contribute to meeting the shared objectives of the JRWMS.

Wirral Council

Scheme	2014/15 £M	2015/16 £M	2016/17 £M	2017/18 £M	2018/19 Planned £M	Total £M
Consultants to verify Future Waste Management Options Appraisal	0	0	0.019	0	0	0.019
Tackling alleyway dumping, deployment of alleyway dumping investigation team	0.200	0.200	0.161	0	0	0.561
Additional recycling provision and operational support	0	0	0	0.082	0	0.082
Alleyway cleansing	0	0	0	0.104	0.107	0.211
Alleyway dumping enforcement	0	0	0	0.058	0.013	0.071
Removal of charge for replacement of (grey) recycling wheeled bins (140, 240 & 360 litre)	0	0.090	0.051	0	0.030	0.171
Reduction of charge for replacement (green) residual wheeled bins	0	0.040	0	0	0	0.040
Bin repair service	0	0.022	0.019	0	0	0.041

Promotion campaign to increase capture rates for recycling on the co-mingled scheme	0	0.150	0.091	0	0	0.241
Appoint four Neighbourhood Recycling Officers	0	0.085	0.088	0	0	0.173
Programme of community clean up and environmental events	0	0.040	0.015	0.002	0	0.057
Total	0.200	0.627	0.444	0.246	0.150	1.667
Balance						5.035

4.6 The Council has made plans to utilise the funds on waste related services in future years. There is scope to extend the expenditure as under the plans shared to date a significant balance of Development Fund monies remains un-programmed.

4.7 The Council has reviewed the actual and planned spending and has provided assurance that in its view the expenditure will contribute to meeting the shared objectives of the JRWMS.

Performance Update

4.8 The Waste Development Fund was set up to contribute towards the delivery of the Joint Recycling and Waste Management Strategy which was approved by the Authority and each of the Merseyside Councils in 2011.

4.9 The JRWMS established specific targets, and these are reflected in the MoU. Of particular note is the household recycling target of 50% recycling by 2020.

4.10 Overall, the household recycling performance fell during 2017/18 with Merseyside as a whole seeing a change in recycling from 41.1% in the previous year to 38.9%. The specific performance of each partner using the latest available figures from Waste Data Flow (NI192) is as follows:

	2013/14	2014/15	2015/16	2016/17	2017/18*
	% Recycled	% Recycled	% Recycled	% Recycled	% Recycled
Merseyside	39.7	42.0	41.2	41.1	38.9
Liverpool	26.7	29.6	29.2	28.1	26.6
Wirral	37.4	36.0	36.4	35.9	33.2
Sefton	37.6	41.1	39.5	37.8	36.9
St Helens	36.8	40.6	39.0	38.9	35.9
Knowsley	33.1	36.7	35.9	32.8	30.2

**Waste Data Flow is not yet finalised for 2017-18 and validation of the final quarter may lead to information having to be changed*

5. Risk Implications

- 5.1 The Authority commissioned joint legal advice with the Councils to ensure it could find an appropriate mechanism to re-distribute the Waste Development Fund to the Councils. That mechanism is the Memorandum of Understanding (MoU) in which all parties agree that the funds will be utilised by the District Councils in pursuit of the objectives of the shared JRWMS. The MoU is supported by annual letters of assurance from Councils until their allocated funds have been fully utilised. These assurances are summarised annually for Members of the Authority.
- 5.2 In the event that a Council, or Councils, were unable to commit the funds to these shared objectives there would need to be consideration of how the funds should then be returned to the Authority.

6. HR Implications

- 6.1 There are no HR implications associated with this report.

7. Environmental Implications

- 7.1 By committing funding to the development of their local waste collection services the individual councils are committing to the achievement of shared objectives under the JRWMS.

8. Financial Implications

- 8.1 The financial implications are included in the body of the report.

9. Legal Implications

- 9.1 The MoU provides a framework for assurance to the Authority that funds allocated to Councils have been utilised for waste related purposes.

10. Conclusion

- 10.1 This report meets one of the Authority's obligations under the terms of the MoU with District Councils regarding the distribution of the Waste Development Fund, by reporting to Members on the assurances provided by each Council that the funds have been used to support the shared objectives of the JRWMS.

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The background documents to this report are open to inspection in accordance with Section 100D of The Local Government Act 1972 - Nil.