



MERSEYSIDE RECYCLING & WASTE AUTHORITY

Service Delivery Plan

2017/18

This Service Delivery Plan establishes clear priorities for the year ahead and demonstrates how we intend to meet the Authority's long term aspirations as set out in the Corporate Plan. The plan sets specific objectives which take account of current performance, potential risks and opportunities and available resources.

Foreword from Chief Executive / Chair

The Plan you are reading sets out our priorities for the coming year, what we intend to achieve and how this will *"contribute to the economic, environmental and social well-being of Merseyside by promoting the best use of resources and ensuring that waste is sustainably managed."*

One of the biggest challenges we face in the coming years is managing our services and expenditure at a time when the financial constraints on local government are tightening. As a Joint Waste Disposal Authority, we are funded entirely through a levy on the five Merseyside Councils. For the last seven years the levy has not increased and we are utilising to use general fund balances to offset an increase in the overall levy. Setting the budget for 2017/18 has been challenging and while our Members agreed to freeze the levy once again, which leaves a gap of over £8M between our income and expenditure, our balances are diminishing and large increases in future years will be unavoidable.

In order to mitigate this, we have been working with the City Region's Leaders and Mayor to carry out a Strategic Review of the way waste collection and disposal is managed across the city region. We will continue to work with the City Region Leaders and Mayor to implement the key findings of the Strategic Review, including closer working together to help to mitigate the impact of the Levy on Councils.

As a part of the response to the Strategic Review we will implement a fundamental review of our services and the sites we operate. We will be taking into account the changes in our waste services as a result of the Resource Recovery Contract which will become operational during 2017/18. The new contract includes a new Rail Transfer Station in Knowsley to transport waste to our Energy from Waste Facility in Wilton.

The changes we make as an Authority, however, are only one aspect of the management of municipal waste in Merseyside and to be most effective, we need to take a whole system approach. This is something that has been recognised by the Leaders and Chief Executives on Merseyside who will be leading a strategic review of collection, treatment and disposal. Implementing the review will also consider changes to this Authority's governance arrangements and the method of apportionment of our levy.

In setting our priorities for 2017/18, we have taken account of this Strategic Review and it is possible that our plans may need to be developed and adapted throughout the year as a result of the review outcomes. In the meantime, there are plenty of other challenges for us to be getting on with.

The Resource Recovery Contract is due to enter the full operation phase at the during of 2017/18 which will ensure the complex plant and machinery is set up to transport and treat all of Merseyside's residual waste and in the process, generating electricity to power thousands of homes and divert up to 92% of our waste from landfill.

Whilst we're putting in place this new system for dealing with our residual waste, a large part of our work is designed to help and educate people so we don't create the waste in the first place – saving valuable resources in the process. We are re-focusing our efforts for 2017-18 onwards as part of our 'Behavioural Change Programme'. The £110,000 Community Fund for 2017/18 will assist local groups, schools and other eco organisations in reducing, re-using and recycling waste and resources. Similarly, we will continue to give people helpful advice through visits to our two educational Recycling Discovery Centres at Gillmoss and Bidston and the Southport Eco Centre, as well as engaging people through our advice given to the public at some of the region's key events and festivals.

CORPORATE AIM 1 - DELIVERABILITY

We will ensure that the waste delivered to us is managed sustainably.

To do this, we will:

- Manage our waste contracts to maximise the benefits to the Authority and the community it serves.
- Manage the Authority's waste infrastructure in a safe, efficient and sustainable manner so that it remains fit for purpose.
- Continuously improve services to meet the needs of the local community and other stakeholders.

Our Key Priorities in 2016/17 for DELIVERABILITY:

We will continue to manage our contracts and our facilities to achieve the best economic, environmental and community outcomes for Merseyside and Halton. Particular focus will be on:

- Carrying out a comprehensive review of the Authority's waste services and infrastructure, contributing to the implementation of the Strategic Review being led by the Merseyside and Halton Councils.
- Managing our waste contracts efficiently and effectively during a period of change through active engagement with our contractors, our partners and service users
- Mobilising the Resource Recovery Contract (RRC).
- Continuously improving the environmental management and aftercare of the Authority's closed landfill sites.

1.1 Resource Recovery Contract

The Resource Recovery Contract will divert more than 92% of Merseyside and Halton's residual waste from landfill and includes a high efficiency energy-from-waste facility (EfW) with Combined Heat and Power at the Wilton in Teesside and a new Rail Transfer Loading Station (RTLS) in Kirkby.

The commissioning phase has been extended and is expected to be completed during the summer of 2017, at which point the contract will become operational and we will see a significant change in the way Merseyside and Halton's residual waste is treated. It is therefore important that we manage the contract closely, working with the contractor to ensure that, when operations commence, our new facilities conform to contractual standards.

Objectives:

- 1.1.1 To engage with the contractor as they complete the commissioning of the RRC and commence diversion of residual waste in 2017-18.
- 1.1.2 To manage the RRC contract and administration effectively, including the payment mechanism.
- 1.1.3 To ensure delivery of the RRC Service (as it relates to the planned preventative maintenance programme).

1.2 Waste Management and Recycling Contract

The Waste Management and Recycling Contract, which deals with over 450,000 tonnes of waste per annum, will enter its ninth Contract Year during 2017/18. The contract handles all the residual and most of the recycled material collected by the Merseyside and Halton Councils, as well as the waste householders bring to our Household Waste Recycling Centres (HWRC's).

We will be looking closely at this contract as part of a services review but in the meantime we will continue to make the best use of the contract to treat waste sustainably and cost-effectively.

Objectives:

- 1.2.1 To manage the services to the District Councils under the WMRC in line with its Service Delivery Plans and the minimum contract standards for 2017/18 which are:
 - Diverting from landfill at least 90% of Kerbside Collected Recyclable Materials
 - Diverting from landfill at least 95% of Organic Waste (Garden and Kitchen Waste)
- 1.2.2 To manage the Household Waste Recycling Centres under the WMRC in line with Service Delivery Plans and the minimum contract standards for 2017/18 which are:
 - Recycling and composting at least 52.91% of HWRC waste
 - Diverting from landfill at least 64.04% of HWRC waste
- 1.2.3 To ensure the delivery of the WMRC services (as they relate to the planned preventative Maintenance programme).
- 1.2.4 To manage the Veolia improvement programme.

1.3 Contract performance

The WRMC and the new RRC will handle all of the Authority's waste once the commissioning phase of the RRC is complete. It will be particularly important to ensure that contractual, tonnage based, environmental targets are being effectively monitored during the year and that where there are anomalies these are identified and addressed quickly.

Objectives:

1.3.1 To manage the performance of the contracts and their contractors effectively

1.4 Services and Infrastructure

We are under increasing pressure to mitigate our costs at a time when waste arisings are showing signs of increasing. We are already entering a new phase of waste management on Merseyside with the Resource Recovery Contract due to commence later this year. This will be a major change and gives us an opportunity to take a fresh look at what services we provide and how we provide them to ensure all our contracts and our infrastructure remain fit for purpose.

In the coming year we will review the WMRC and assess our existing sites and facilities based on our future needs with the aim of identifying potential for efficiencies and performance improvement.

Our review will support the outcomes of the wider Strategic Review which is being led by the City Region Leaders and Mayor. Implementation of the Strategic Review will look at the whole system of collection, treatment and disposal, the Authority's levy mechanism, and its governance arrangements.

Objectives:

1.4.1 To contribute to the implementation of the Strategic Review undertaken by the City Region Leaders and Mayor.

1.4.1 To manage and develop the Authority's Capital Programme leading up to and following the outcome of the MRWA Services Review.

1.5 Closed Landfill Sites

We have both statutory and legal responsibilities for seven closed landfill sites previously used for the disposal of municipal waste generated within Merseyside and we operate pollution prevention systems on these sites to ensure we meet our responsibilities.

In order to satisfy ourselves that the systems remain effective, we have in place a maintenance programme for plant and equipment, and we also undertake regular environmental monitoring which will detect gradual pollution should it arise. These systems are managed through an Environmental Management System, accredited to the new ISO: 14001 standard.

Objectives:

- 1.5.1 To effectively manage and monitor the Authority's closed landfill sites in 2017-18 in accordance with the new Standard.
- 1.5.2 To manage and maintain the Health and Safety Management system (including head office as well as closed landfill sites).

1.6 **Business services**

The Authority has a responsibility to ensure the delivery of its front line services is supported by efficient and effective Business Services so that the delivery of the Authority's primary objectives is also efficient and effective.

Objectives:

- 1.6.1 Review current business services to ensure they delivery VFM and are relevant in current and ongoing operations.
- 1.6.2 Provide support to all teams across the Authority's activities to ensure business continues to operate efficiently and effectively.

1.7 **EMS**

The Authority maintains an Environmental Management System which it uses to manage its environmental impacts and to demonstrate the effectiveness of those arrangements. This system extends beyond closed landfill sites and covers the whole of the Authority's activities.

Objectives:

- 1.7.1 To maintain ISO 14001 accreditation (encompassing Closed Landfill Sites, Contracts and supervision of the WMRC and RRC).

CORPORATE AIM 2 - SUSTAINABILITY

We aim to reduce the amount of waste produced on Merseyside, increase the proportion of waste reused and recycled and promote the sustainable management of waste through the Waste Hierarchy.

To do this, we will:

- Develop and implement waste strategies to maximise the value of otherwise wasted resources in terms of economic, environmental and social benefits.
- Work together with partners and other stakeholders to provide services that support the local economy, benefit the community and improve the environment.

Our Key Priorities in 2016/17 for SUSTAINABILITY:

We will continue to work towards these targets, and specifically in the coming year we will:

- Review our strategies to reflect the wider circular economy and resource resilience issues and deliver strategy action plans.
- Promote sustainable management of waste through the Behavioural Change Programme, including re-use and waste prevention.
- Work in partnership with the district councils to support the development of improved collection and treatment options.
- Manage the Authority's Community Fund to deliver projects that support the Authority's corporate aims.

2.1 Waste Strategies

A joint waste strategy for Merseyside was approved by all partners in 2012 with a commitment to a five year review to refresh the information and options contained in the original strategy: RESOURCES Merseyside.

Work on a waste composition analysis was completed in 2016-17 and this will inform our work. However, the planned strategy refresh has been overtaken by the Strategic Review which has looked at the whole system of collection, treatment and disposal. It is therefore intended that work undertaken so far will inform the implementation of the Strategic Review, once the outcome of this review is known. Thereafter, we will recommence the planned joint strategy refresh.

Objectives:

- 2.1.1 To complete a refresh of the Joint Recycling and Waste Management Strategy (JRWMS) following the outcome of the Strategic Review and maintain annual environmental monitoring of the Strategy.

- 2.1.2 To implement the actions identified in the Re-Use Strategy for 2017/18.
- 2.1.3 To contribute to cutting waste and greenhouse gas emissions associated with food and drink by at least 20% per person by 2020 (Courtauld target).
- 2.1.4 To support the delivery of the JRWMS by working with partners and stakeholders to promote waste management in line with the Waste Hierarchy.

2.2 Behavioural Change

We aim to deliver a strategic programme of behavioural change activities, working with key partners and local communities in 2017/18 year. The programme will help raise awareness and promote simple changes in behaviour which will minimise waste, increase re-use and recycling and will ultimately save money for the householder and the Authority.

The programme also incorporates the Community Fund which offers grants to community organisations for projects which support our aims. A fund of £110,000 was launched in February for projects in 2017/18. The Expressions of Interest received will be evaluated and successful applicants asked to submit further details. The final awards are expected to be issued from May onwards.

In 2017/18, we will be able to use the information from the waste composition analysis undertaken in the previous year to target those areas of the waste stream which have the greatest potential to improve sustainability through behavioural change.

Objectives:

- 2.2.1 To deliver a Behavioural Change Programme which is cost effect and supports the ethos of waste prevention, re-use, recycling and education and awareness.
- 2.2.2 To manage the Community Fund for 2017/18 within the approved budget and ensure it delivers the maximum economic, environmental and social benefit.
- 2.2.3 To explore funding opportunities, undertake research and develop new initiatives which support the Authority's aims, with an emphasis in 2017/18 on developing a Circular Economy Hub and considering the implications of the EU Circular Economy Package.

CORPORATE AIM 3 - ACCOUNTABILITY

We will conduct the Authority's business effectively and efficiently and we will fulfil our obligations to the highest standards.

To do this, we will:

- Manage our business and finances with openness and transparency.
- Establish challenging targets for efficiencies and improvements and set out plans for delivery.
- Develop our staff and Members to ensure the Authority has clear direction and the skill sets to deliver our aims and objectives.

Our Key Priorities in 2017/18 for ACCOUNTABILITY:

We will continue to apply high standards to the way in which we conduct our business and specifically in the coming year we will:

- Manage and develop the Authority and its resources efficiently, effectively and appropriately and improve how we manage and report our performance.
- Improve the way we communicate and consult with our key stakeholders.
- Ensure our actions comply with our policies and procedures, are within the law and that decisions are taken properly.
- Review the Authority's resource needs and develop Members and Officers to make the best effective use of resources to deliver the Authority's Corporate Aims.

3.1 Governance and Performance

The Authority's governance and performance arrangements are key to ensuring that we deliver our services and meet our statutory obligations effectively and efficiently. The Performance Management Framework underpins a culture of continuous improvement and informs the decisions we take and the plans we make.

One of the ways in which we challenge ourselves is through an annual corporate governance assessment which is undertaken by the Primary Assurance Group which consists of senior officers, including statutory officers. The latest review was undertaken in March 2017 and identified further improvements to strengthen the Authority's governance arrangements in 2017/18.

Objectives:

- 3.1.1 Manage the Authority's performance through the Performance Management Framework, including the delivery of corporate objectives for 2017/18.

- 3.1.2 Review and maintain the Authority's systems of internal control and governance through the Primary Assurance Group and provide the necessary assurances to Members.
- 3.1.3 Deliver an Annual Member Training and Development Plan for 2016/17.
- 3.1.4 Ensure roles of statutory officers are clearly defined and delivered on behalf of the Authority.

3.2 Financial Management

In spite of increasing costs, the Levy for 2017/18 has been set at the same level as the previous year in order to mitigate the burden on our constituent councils. We have been able to do this by using General Reserves; however, future significant increases are becoming unavoidable.

The challenge this year will be to look at ways to mitigate these expected increases by working with the Merseyside and Halton councils to identify savings and make efficiencies. Implementation of the Strategic Review and the MRWA Services Review aim to find savings and allow us to make joint decisions which best serve our community.

In the meantime, we will ensure that we manage our finances closely, focusing in particular on the mobilisation of the Resource Recovery Contract this year.

Objectives:

- 3.2.1 Manage the Authority's financial arrangements effectively and efficiently to include the preparation of the annual revenue and capital budgets, budget monitoring and the preparation of the statement of accounts.
- 3.2.2 Review and monitor the Authority's financial and levy strategies, taking into account the financial strategies of the constituent Merseyside councils.
- 3.2.3 Ensure robust systems are in place to manage the payment mechanism at the commencement of the Resource Recovery Contract.

3.3 Business Services

Business Services brings together a range of corporate functions, such as ICT, Finance, HR, and Communications which work collectively and consistently together to help support the Authority's frontline services to deliver effective internal controls.

In 2016/-17, we have seen changes in our workforce and the challenge in the coming year will be to ensure our staff have the right skills and knowledge to deliver what will be a significant period of change for the Authority.

Objectives:

- 3.3.1 Undertake a Skill Gap Analysis to identify potential areas where skills and knowledge transfer is needed, due to current and planned establishment changes.
- 3.3.2 Deliver a new Corporate Training and Development Plan by March 2018 which supports the changes within the establishment by ensuring our staff have the appropriate skills and knowledge to deliver our future services.
- 3.3.3 Ensure a Corporate approach to all internal and external communications
- 3.3.4 To monitor and review where appropriate, HR Policy and Procedures to ensure that they are current and updated in line with forthcoming employment law changes.