REPORT TO:

ENVIRONMENTAL AND

DEVELOPMENT SERVICES

DATE OF

MEETING:

4TH MARCH 2004

REPORT FROM:

DEPUTY CHIEF EXECUTIVE

OPEN

MEMBERS'

CONTACT POINT:

PAUL EVANS (EXTN. 5764)

DOC: s:\cent_serv\committee reports\environmental & development\u00e4-march04\waste

reward funding.doc

AGENDA ITEM:

CATEGORY:

DELEGATED

SUBJECT:

LOCAL AUTHORITY WASTE
MANAGEMENT PERFORMANCE
REWARD GRANT CONSULTATION

PAPER

REF: PE

WARD(S)

AFFECTÉD:

ALL

TERMS OF

REFERENCE: EDS 07

1.0 Recommendations

1.1 To seek Members' feedback on the Consultation Paper.

2.0 Detail

- 2.1 In the Budget statements of 9th April 2003, the Government signalled its decision to reform the Waste Minimisation and Recycling Fund ("the Challenge Fund") into a waste management performance reward fund.
- 2.2 The start-up costs of the Council's scheme for the kerbside collection of "dry" recyclables from 12,000 households was financed through a successful bid to the Challenge Fund. A further bid has been submitted for the start-up costs of extending the scheme across the rest of the district.
- 2.3 The Challenge Fund has concentrated on helping local authorities achieve a step change in recycling. To date, the fund has supported over 250 projects.
- 2.4 The reform of the Challenge Fund into a Performance Reward Grant is intended to shift the emphasis of central government incentives on waste away from support for specific projects.
- 2.5 Rather than agreeing with local authorities on an individual basis the specific inputs needed to improve their recycling performance, the new Performance Reward Grant will aim to provide incentives to local authorities by rewarding them on the basis of the outcomes they achieve. Local authorities will be free to determine for themselves the best way to meet the criteria for reward under the Performance Reward Grant.
- 2.6 The Government's intention is to provide £90 million from 2006/07 onwards, one third of which will be allocated for pump priming grants with the remainder allocated on the basis of performance.

2.7 The Consultation Paper seeks feedback to a number of questions concerning the funding. The questions and some suggested responses are appended at Annexe A for Members' consideration.

3.0 Conclusions

- 3.1 The Government's proposals to change the funding have the advantage that good performance will be rewarded as well as providing pump priming funding.
- 3.2 The proposals outlined in the Consultation Paper appear to offer an equitable system
- 3.3 However, no matter what system we play, the bids for funding are likely to exceed by far the funding available for some time yet.