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Our Ref: DS

Your Ref:

Date 7 January 2020

Dear Councillor,

Overview and Scrutiny Committee

A Meeting of the **Overview and Scrutiny Committee** will be held in the **Council Chamber**, on **Wednesday, 15 January 2020 at 18:00**. You are requested to attend.

Yours faithfully,

Chief Executive

To: **Conservative Group**

Councillor Hewlett (Chairman), Councillor Brady (Vice-Chairman) and Councillors Atkin, Corbin and Dawson

Labour Group

Councillors Bambrick, Gee and Mrs Stuart

AGENDA

Open to Public and Press

- | | | |
|----------|---|----------------|
| 1 | Apologies and to note any Substitutes appointed for the Meeting. | |
| 2 | To note any declarations of interest arising from any items on the Agenda | |
| 3 | To receive any questions by members of the public pursuant to Council Procedure Rule No.10. | |
| 4 | To receive any questions by Members of the Council pursuant to Council procedure Rule No. 11. | |
| 5 | BUDGET SCRUTINY 2020 | 3 - 4 |
| 6 | IMPLEMENTATION OF UNIVERSAL CREDIT - UPDATE | 5 - 10 |
| 7 | RECYCLING RATE - HOW CAN IT BE IMPROVED | 11 - 19 |

Exclusion of the Public and Press:

- | | |
|----------|--|
| 8 | The Chairman may therefore move:-
That in accordance with Section 100 (A)(4) of the Local Government Act 1972 (as amended) the press and public be excluded from the remainder of the Meeting as it is likely, in view of the nature of the business to be transacted or the nature of the proceedings, that there would be disclosed exempt information as defined in the paragraph of Part I of the Schedule 12A of the Act indicated in the header to each report on the Agenda. |
| 9 | To receive any Exempt questions by Members of the Council pursuant to Council procedure Rule No. 11. |

REPORT TO:	OVERVIEW and SCRUTINY COMMITTEE	AGENDA ITEM: 5
DATE OF MEETING:	15 JANUARY 2020	CATEGORY:
		RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR CORPORATE RESOURCES	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) kevin.stackhouse@southderbyshire.gov.uk	DOC: u/ks/budgets/budget round 2021/presentations/OS committee Jan 20
SUBJECT:	BUDGET SCRUTINY 2020	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: 6.03 (a) (i)

1.0 Recommendations

- 1.1 That the Committee consider the proposed budgets of the Council for 2020/21 and make any recommendations to Finance and Management Committee as part of the consultation process.
- 1.2 That the Committee consider the medium term financial plans of the General Fund and Housing Revenue Accounts and make any recommendations to Finance and Management Committee to support budget and policy development.

2.0 Purpose of the Report

- 2.1 To scrutinise the Council's budget proposals for 2020/21, together with the medium term spending plans.

3.0 Detail

- 3.1 The detailed budget proposals have been reported and considered by each of the Council's Policy Committees earlier in January. In addition, the Finance and Management Committee considered consolidated proposals and the updated Medium-Term Financial Plan (MTFP) of the General Fund on 9 January 2020. [Budget Report 2020](#)
- 3.2 Furthermore, the Housing and Community Services Committee considered the proposed Housing Revenue Account (HRA) and its longer-term (10-year) Financial Plan on 7 January 2020. [HRA Budget and Financial Plan](#)
- 3.3 It is intended that these reports will provide the background and detailed basis for scrutiny. A presentation of the proposals and spending plans will be made at the meeting, together with confirmation of the decisions arising from the Policy Committees.

4.0 Financial Implications

- 4.1 As detailed in the Budget reports.

5.0 Corporate Implications

Employment Implications

- 5.1 None

Legal Implications

- 5.2 None

Corporate Plan Implications

- 5.3 The Council's Budget and spending plans provide the financial resources to enable delivery of the Corporate Plan.

Risk Impact

- 5.4 Financial risks and individual risk registers are detailed within budget reports. The proposed spending plans include provision to mitigate the financial and wider business risks identified.

6.0 Community Impact

Consultation

- 6.1 The spending proposals will be disseminated at forthcoming Area Forum meetings, and to the local business community. In addition, the proposals will be presented to a meeting of the South Derbyshire Partnership Board on 29 January 2020.

Equality and Diversity Impact

- 6.2 None

Social Value Impact

- 6.3 None

Environmental Sustainability

- 6.4 None

7.0 Background Papers

- 7.1 Budget working papers maintained on the Financial Management System

REPORT TO:	OVERVIEW and SCRUTINY COMMITTEE	AGENDA ITEM: 6
DATE OF MEETING:	15 JANUARY 2020	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR (CORPORATE RESOURCES)	OPEN
MEMBERS' CONTACT POINT:	KEVIN STACKHOUSE (01283 595811) kevin.stackhouse@south-derbys.gov.uk	DOC: u/ks/revenues and benefits/universal credit/3 scrutiny report January 2020
SUBJECT:	IMPLEMENTATION OF UNIVERSAL CREDIT - UPDATE	TERMS OF REFERENCE: 6.03 (a) (i)
WARD(S) AFFECTED:	ALL	

1.0 Recommendations

- 1.1 That the Committee considers the current position and progress in implementing actions for supporting tenants and potential claimants of Universal Credit.
- 1.2 That the Committee considers the impact on resources in Customer Services, Revenues and Benefits, together with planned actions to mitigate the risks associated with changes in working practices.

2.0 Purpose of Report

- 2.1 The scrutiny of the Council's preparations for the implementation of Universal Credit (UC) has been an on-going action in the Committee's work programme. The Committee has previously considered reports in February and September 2018.
- 2.2 During the past year, the impact of UC has gathered momentum following a further phased roll-out in November 2018. This report provides an update on the impact for Council tenants and the HRA, the Council's wider role in supporting claimants, together with the impact on benefits processing and the emerging impact on Council resources in that service area.

3.0 Detail

Background

- 3.1 Universal Credit will eventually be the main Benefit paid to working age people. It combines a range of Benefits into a single monthly payment. Over time, most current Benefits and Tax Credits will be phased out as a consequence.
- 3.2 UC will eventually replace:

- Income Support

- Income-based Jobseeker's Allowance
- Income-based Employment Support Allowance
- Housing Benefit (HB)
- Child Tax Credit
- Working Tax Credit

3.3 Except for Housing Benefit (HB) which is administered by local authorities on behalf of the DWP, the above Benefits and Tax Credits are administered by the DWP and HMRC. UC is being administered solely by the DWP.

Support for Council Tax

- 3.4 It should be noted that support for low income households towards Council Tax is through a local Council Tax Reduction Scheme (CTRS). This is not a Benefit but a Discount set and managed by local authorities and will not be included in UC.
- 3.5 The local CTRS in South Derbyshire is at the discretion of the Council in accordance with its own set of criteria. This is reviewed annually by the Finance and Management Committee and is adopted each year by Full Council as part of the Council Tax setting process.

Implementation of UC

- 3.6 Whilst Universal Credit (UC) had been available to claimants for several years, the major roll out in South Derbyshire began in November 2018. This was part of a phased roll-out which saw all new working age claims moving to UC, together with any change in circumstances for existing benefit claimants.
- 3.7 This phase was a more significant move towards full implementation of UC. Previous phases had only affected certain groups of people, such as single adults and the impact for the Council had been relatively minor.
- 3.8 The next and final phase will be the migration of existing benefit claimants onto UC. The Government has started transferring people through a process known as "managed migration". This commenced in July 2019 and involves the transfer of approximately 10,000 people as part of a pilot scheme which is taking place in North Yorkshire.
- 3.9 The pilot is expected to last a year after which greater numbers will be transferred in other regions following an assessment of the pilot scheme. The Government's plan to complete full implementation is December 2023 and currently, UC only applies to working age claimants.

Current Statistics

- 3.10 Over the 18-month period between April 2018 and September 2019 people claiming HB from the Council reduced by 24%. Not all of this reduction is due to UC but it is safe to assume that UC has had a significant influence on this number.
- 3.11 Most of this reduction relates to private tenants. During the same period, the number of Council Tenants in receipt of HB reduced from 1,740 to 1,460. Of the 1,460, approximately 50% are currently of working age and potentially subject to UC at some stage.

- 3.12 In monetary terms, the amount of HB being paid to the HRA and direct into Tenant's Accounts was £116,000 per week in 2018/19. To-date in 2019/20, this has fallen to £107,000 per week.
- 3.13 Housing Benefit for Council Tenants is paid direct to the Council's rent account. For private/housing association tenants however, Housing Benefit can be paid either direct to the landlord (vulnerable people, arrears) or direct to the tenant. This helps to ensure that landlords receive the rent payments they are due.
- 3.14 UC has however been designed to be paid direct to the person in all circumstances, and it then becomes the person's responsibility to pay their rent directly, regardless of their circumstances. This change to direct payments to tenants is a matter of concern for landlords, including councils, as evidence across the country seems to suggest that rent arrears are increasing as a direct result.
- 3.15 Where a tenant has accrued rent arrears to the value of two month's rent or more, a landlord can request a managed payment or rent arrears deduction from UC. This is subject to a maximum rate of 20% of a tenant's UC standard amount. The council has applied for several managed payments on behalf of Council Tenants.

Impact on resources at the Council

- 3.16 With the reduction in HB claims, this is now having an impact on the work of benefit assessors. However, work load is expanding in other areas and although this may be reduced in the longer-term, overall administration is not reducing.
- 3.17 This is due to the Council's CTRS. The Council's Local Scheme is based on the parameters of a national default scheme which was introduced several years ago. Generally, a person's entitlement to HB can change their entitlement to CTR but the assessment criteria involved are complicated.
- 3.18 With UC, that linkage remains. However, changes to UC are proving to be more volatile than HB and the Council are receiving a greater number of change notifications from the DWP which need to be processed as they could affect a claimant's entitlement to CTR.
- 3.19 Two main actions have been identified that will mitigate this issue. Firstly, a greater level of automation is required as manual intervention and input is currently slowing the process down. This is currently being progressed in earnest and it is planned to implement system improvements over the coming months.

A New CTRS

- 3.20 The second action is to redesign the Council's CTRS. Options are currently being reviewed to simplify the Scheme so that in general terms a claimant may not be any worse off, but the award of discount is calculated in a much easier and understandable way.
- 3.21 Many authorities have already moved away from using parameters based on the national default scheme. However, changes can only be introduced on 1 April each year, with amended or new schemes needing to be approved by Full Council. In addition, any decision needs to take account of consultation with relevant stakeholders.

3.22 Consequently, with system changes also required, there is a long lead-in time associated with a new CTRS. Practically, a new CTRS could not be implemented now until 1 April 2021.

3.23 Therefore, ahead of this, it is planned to submit proposals for a new scheme to the Finance and Management Committee on 30 April 2020. This would allow for consultation and a report back to the Committee later in the year, before a final scheme can be proposed to Full Council later in 2020.

Longer-Term Resources

3.24 Although as highlighted above, the reduction in HB claims to the Council continues to reduce, the volume of work remains broadly the same. However, these issues are likely to be overcome in the longer-term and this will be kept under review. It is considered that the degree of automation in the future will be a major factor.

3.25 In the meantime, the Council currently utilises off-site processing to support peaks in workload and other specialist checks to verify earnings and pension income. Consideration will be given to bringing this work in-house to utilise any spare capacity and therefore save the cost of external support. In addition, as vacancies arise in the Service, these will be reviewed with the longer-term situation in mind.

Housing Services

3.26 The Council currently has 302 council house tenants in receipt of Universal Credit. 74 tenants are subject to managed payment arrangements, 70 of which were requested by the Council and 4 by the tenant. There are a further 26 arrangements that have been requested, pending a decision by the DWP.

3.27 Current UC rent arrears total £126,785, an increase from a total of £60,471 a year ago.

3.28 The Council continues to work with other agencies to hold surgeries to mitigate arrears for both Council Tenants and the wider resident base of South Derbyshire. However, despite widespread publication, take-up and referral to these surgeries has to-date proved to be low. Other activities include:

- “*Money Sorted*”, a scheme run in partnership with D2N2 and Citizen’s Advice aims to assist residents in managing their money through budgeting support and strategies.
- “*Towards Work*”, a scheme run in partnership with D2N2 and Derby College aims to bring residents closer to the labour market by breaking down barriers.
- “*Opportunity & Change*”, a scheme run in partnership with D2N2 and Women’s Work aims to assist female residents to break down multiple and complex barriers to bring them into education, employment or training.
- “*Direct Help & Advice*”, a scheme managed by Derby Law Centre, provides assistance to residents regarding notices, evictions and disrepair claims, etc.

3.29 These services are advertised widely. The Council’s Communications Team regularly highlight the assistive and preventative work as well as highlighting advice available

on the Council's website. Furthermore, Council staff have received regular training regarding changes within Universal Credit.

- 3.30 With the abolishment of cash payments at the Civic Offices from January 2020, tenants are being encouraged to pay by Direct Debit and Standing Orders. This would help to reduce the growing reliance on managed payments.

Managed Payments

- 3.31 The way that managed payments are paid to the landlord is on a 4 weekly system with a specific cut-off date. The landlord receives 12 payments per year, every 4 weeks meaning that for one period, the landlord does not get paid. Furthermore, payments can take up to 6 weeks to reach the landlord following the tenants Universal Credit payment date.
- 3.32 In the case of a new claimant of UC who already has historic arrears with the Council (or with their respective landlord) they are subject to the initial "5 week wait" then, if a managed payment is requested, their rent may be delayed for a further 4 weeks, meaning a tenant could be up to 9 weeks in arrears.
- 3.33 For a standard tenancy with the Council, this can add a further £720 to rent arrears, based on £80 per week. In the HB system, this would usually prompt an income officer to take further recovery action against a tenant, involving court action to seek re-possession of the property. However, if this case was to be taken to court, it would likely prove to be unsuccessful.
- 3.34 The Council continues to address issues associated with the rollout of Universal Credit as much as possible by training staff, educating residents, co-ordinating a district wide Welfare Reform Group and putting into place as many systems as possible to report, process and understand the changes which have followed.
- 3.35 However, the way in which Universal Credit is paid, together with pre-existing arrears has meant that arrears have increased. This situation is echoed amongst neighbouring authorities and associations with Trent and Dove, East Midlands Housing and North West Leicestershire also reporting increases in arrears.

4.0 Financial Implications

- 4.1 The Housing Revenue Account's (HRA's) Financial Plan has made additional provision for a greater level of rent arrears, in anticipation that UC will have a negative impact.

5.0 Corporate Implications

Employment Implications

- 5.1 As detailed in the report, capacity and resources will be kept under review.

Legal Implications

- 5.2 None

Corporate Plan Implications

- 5.3 None directly, although the provision of Benefits helps to support the most vulnerable people. The administration of HB, UC and CTRS are statutory obligations on the Council.

Risk Impact

- 5.4 None.

6.0 Community Impact

Consultation

- 6.1 None currently, although any changes to the CTRS will require consultation with relevant stakeholders.

Equality and Diversity Impact

- 6.2 There is perhaps a risk that certain groups with protected characteristics under Equalities Legislation could suffer discrimination. For example, there is evidence to suggest that potentially more vulnerable people may experience difficulty in making payments.
- 6.3 However, the Council recognises this particular issue by supporting people as much as possible and sign-posting tenants and residents to the network of support available in the local community.

Social Value Impact

- 6.4 None directly.

Environmental Sustainability

- 6.5 None.

7.0 Background Papers

- 7.1 None.

REPORT TO:	OVERVIEW AND SCRUTINY	AGENDA ITEM: 7
DATE OF MEETING:	15th JANUARY 2020	CATEGORY: RECOMMENDED
REPORT FROM:	STRATEGIC DIRECTOR SERVICE DELIVERY	OPEN
MEMBERS' CONTACT POINT:	ADRIAN LOWERY, 5764, adrian.lowery@southderbyshire.gov.uk	DOC:
SUBJECT:	RECYCLING RATE - HOW CAN IT BE IMPROVED?	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: (See Notes)

1.0 Recommendations

- 1.1 That the Committee notes and discusses the information contained in this report.
- 1.2 That the Committee endorses the use of the information contained in this report to inform the future scope of the Council's recycling service beyond the end of the Council's current recycling contract in October 2021.

2.0 Purpose of the Report

- 2.1 As part of its annual work plan the Overview and Scrutiny Committee has requested a report on how the Council's recycling rate can be improved. This report has been prepared to facilitate discussion on this matter.

3.0 Executive summary

- 3.1 South Derbyshire District Council's recycling and composting performance in 2018/19 was 45.82%, this places the Council in the top 50% of English Local Authorities but outside of the top 25%.
- 3.2 In comparison with other Authorities the Council performs well on composting waste but does not perform as well on recycling yields per household or on residual waste yields per household.
- 3.3 A full waste collection service options appraisal is needed to inform the Council on the best future service options and service delivery model beyond the Council's current recycling contract which is due to end in October 2021. The options appraisal will also need to consider how the Council will meet future recycling targets, Members' and residents' aspirations and compliance with emerging legislation.
- 3.4 A report will be presented to the next Environmental and Development Services Committee in January 2020, which will request the resources to undertake a full waste services options appraisal and approve a timetable for delivery.

3.5 Further reports will be presented following the outcome of the waste services options appraisal.





4.0 **Detail**

4.1 In order to assess the potential improvements to recycling performance it is important to understand the Council's current performance levels how they compare with other authorities. It is also important to understand the different types of collection schemes in place in authorities that appear to be performing better than South Derbyshire.

4.2 The data used in this report is primarily sourced from the Waste Resources Action programme (WRAP), a government funded organisation. WRAP source its data from all Local Authorities who are required to submit returns to the Government via a portal known as Wastedataflow. Figures used are from the most recent full year data covering 2018/19 financial year.

4.3 A number of different classifications are used to benchmark authorities in a meaningful way, these include;

- The Office of National Statistics (ONS) Area Classification - this assigns authorities into groups which have key population characteristics in common such as housing type and age distribution.
- The ONS Nearest Neighbours – this assigns the Council's four closest Authorities using the ONS Area Classification.
- The Ruralty Classification - this is a six-part classification combining rural nature and deprivation level.
- Derbyshire Waste Collection Authorities (WCAs) - all Derbyshire District/Borough Councils.
- The Key used in the comparator tables where upper and lower quartiles are used as the assessment of performance is:

			
Authority is in bottom 25% of LAs	Authority is in bottom 50% of LAs	Authority is in top 50% of LAs	Authority is in top 25% of LAs

4.4 'Widely Recycled' materials are those defined through the On-Pack Recycling Label scheme as being accepted at the kerbside by 75% or more local authorities. These materials are glass, cans, paper, card and plastic bottles.

4.5 Improvements to recycling cannot, in the main, be achieved without impacting on the overall household waste collection service and as such it is important to understand all the elements that contribute to the data.

4.6 For the purposes of this report it is probably better to determine the understanding of recycling to include waste diverted from disposal and include composting and reuse figures. The report covers household wastes which includes:

- Recycling – kerbside green bin, bring banks, charity collections.
- Composting – brown bin [Page 12 of 19](#)

- Residual Waste - black bin, Saturday freighter service, litter, street sweepings and fly tipping

4.7 The last full year figures (2018/19) show a yield of 157.4kgs per household per year of recycling, 237.5kgs yield of composting and 467kgs of residual waste.

4.8 In 2018/19 the Council's overall recycling and composting performance was 45.82% of collected household was recycled or composted. This placed South Derbyshire in the top 50% of English Authorities.

4.9 The overall performance figure was comparable with the Council's ONS nearest neighbours performance, with the exception of Flintshire County Council.

Local Authority	% of hhw recycled or composted
Flintshire County Council	57.89%
NW Leicestershire	45.85%
South Derbyshire	45.82%
North Warwickshire	45.45%
Hinckley & Bosworth	43.85%

4.10 Different councils clearly operate different schemes and as such the makeup of materials can have a significant impact on the final tonnage figures.






4.11 The following table compares the Council's yields of different recycling materials.

Category	Paper	card	Cans	Glass	Plastic bottles	Mixed Plastic	Textiles	Widely Recycled ¹
Yield kgs/hhd/year	43.2	20.3	11.6	65.7	15.6	6.0	1.0	156.4
Other UK Authorities								
Other East Midlands Authorities								
Other Derbyshire Authorities								
ONS area Classification								
Rurality Classification								

¹'widely recycled' materials are those defined through the On-Pack Recycling Label scheme as being accepted at the kerbside by 75% or more local authorities. These materials are glass, cans, paper, card and plastic bottles.

4.12 The poorest performing materials for South Derbyshire are paper and card and this could be attributed to both the capacity for these materials within the current scheme and the quality restrictions placed on these materials.

- 4.13 The Council currently provides capacity to collect 520kgs of residual waste per household per year, based on a fortnightly collection of 240 litre bins. The average yield per household is currently 467kgs per year. This figure does not compare well with the best performing councils, the Council's ONS nearest neighbours or other Derbyshire Authorities. South Derbyshire is in the bottom 50% on most comparators and the bottom 25% in the Rurality Classification.

Category	Household Residual Waste collected at kerbside (kg/hhd/yr)
Yield (kgs/hhd/year)	467.0
Other UK Authorities	
Other East Midlands Authorities	
Other Derbyshire Authorities	
ONS area classification	
Rurality Classification	

- 4.14 The comparison with the Council's ONS nearest neighbours is slightly more favourable.

Local authority	Household Residual Waste collected at kerbside (kg/hhd/yr)
Flintshire County Council	361.0
Hinckley & Bosworth Borough Council	454.1
South Derbyshire District Council	467.0
North West Leicestershire District Council	509.5
North Warwickshire Borough Council	525.3

- 4.15 Also, in comparison with Derbyshire neighbours the Council's residual waste yield is comparatively high.

Local authority	Household Residual Waste collected at kerbside (kg/hhd/yr)
Derbyshire Dales District Council	299.1
High Peak Borough Council	390.3
Chesterfield Borough Council	391.7
North East Derbyshire District Council	426.2
Erewash Borough Council	455.7
South Derbyshire District Council	467.0
Amber Valley Borough Council	478.9
Bolsover District Council	506.3
Derby City Council	529.3

- 4.16 Reducing capacity by moving to a less frequent (for example a four weekly residual waste collection) or replacing all 240 litre bins with 120 litre bins and collecting these fortnightly as is the case now, would move approximately 207kgs per year to the recycling or composting bins, potentially lifting the District's recycling/composting rate to 69.8%.
- 4.17 Derbyshire Dales District Council is the county's highest performing Council in respect of overall percentage of waste recycled or composted, this was achieved following the introduction of 120 litre bins for residual waste and weekly food waste collections.
- 4.18 Unfortunately, national, regional, ONS and rurality benchmarks are not currently available for composting yield benchmarks; this is one area where South Derbyshire compares favourably with other Derbyshire authorities.
- 4.19 The table below shows that the Council has the second highest composting yield, only behind Derbyshire Dales District Council.

Local authority	Household Composting Waste collected at kerbside (kg/hhd/yr)
Derbyshire Dales District Council	261.3
South Derbyshire District Council	237.5
North East Derbyshire District Council	163.6
Chesterfield Borough Council	156.5
High Peak Borough Council	153.3
Erewash Borough Council	149.3
Bolsover District Council	148.5
Derby City Council	135.3
Amber Valley Borough Council	44.1

4.20 Over the last decade, the policy framework in England has lacked strong drivers for increasing local authority recycling performance. At a national level, this has contributed to a lack of progress in improving recycling collections and associated English recycling rates in recent years, meaning that the UK is likely to miss the 2020 50% recycling target. However, this looks set to change quite dramatically as a result of the Government's Resources and Waste Strategy which was published in late 2018. The Strategy and the accompanying legislation that it will give rise to is likely to be the catalyst in leading significant changes in how waste is managed over the next few years.

4.21 The revisions to the EU Waste Framework Directive include 'legally binding' recycling targets for municipal waste of:

- 55% by 2025
- 60% by 2030
- 65% by 2035

4.22 The UK government has indicated it will be adopting the revisions and the Resource and Waste Strategy is expected to at least set targets for municipal waste equivalent to these at a national level.

4.23 Currently, the Council is unlikely to meet the 2020 target irrespective of any short-term measures that may be implemented. Possible short-term measures could include a door-to-door promotion to encourage participation and to reduce contamination, a publicity campaign or changes to reduce some residual collections including removal of the Saturday freighter service. which adds around xx tonnes of residual waste, none of which is recycled, to the Council's overall waste arisings figure, anecdotal evidence suggests that a good proportion of this is commercial waste.

4.24 Given that the current recycling and composting contracts expire in October 2021 and that most of the Government's initiatives from the Environment Act will not be implemented until around 2023, it may be prudent for the Council to consider a short-term extension to the current arrangements and accept a lack of step change

improvement to ensure that all solutions can be fully explored, prior to committing to longer-term contractual or other arrangements.

- 4.25 A recent study was undertaken by WRAP for all Derbyshire Authorities to identify joint working and shared cost/benefit opportunities. Whilst most of the joint working options have hit complications due to conflicting contract/procurement termination and commencement dates, there still exist some options for South Derbyshire to explore joint working/procurement with either or both Chesterfield and Derby City regarding collection services.
- 4.26 Further to the above; opportunities also exist to explore joint cost/benefit sharing with Derbyshire County Council (DCC) by introducing changes to service provision.
- 4.27 The recent work undertaken by WRAP, across Derbyshire, identified a collection model, that whilst it increased collection costs delivered significant disposal cost savings, which if implemented could deliver a net saving to both Councils whilst also delivering an estimated performance figure of over 60% for South Derbyshire.
- 4.28 It is important that in moving towards achieving the likely recycling targets that all options are explored including service delivery options and service provision models. The range of options for both service delivery and provision is extremely varied and, in some cases, extremely complex.
- 4.29 A full report setting out a timetable for delivering a comprehensive waste collection service which will meet residents' needs and achieve the highest possible performance standards will be presented to the Environmental and Development Services committee in January 2020.
- 4.30 The report will recommend the appointment of additional resources to enable the Council to conduct a comprehensive Waste service review and explore all potential service delivery and provision models. An integral part of this work will be to undertake a Members' workshop to present options which will guide a future report and implementation of a comprehensive waste service for South Derbyshire.

5.0 Financial Implications

- 5.1 Costs of securing additional resources to help officers undertake a comprehensive review and options appraisal, currently estimated at circa £20k.
- 5.2 Long-term financial implications will form part of the options appraisal and subject to a future report.

6.0 Corporate Implications

Employment Implications

- 5.1 To be reviewed as part of the full options appraisal and subject to a future report

Legal Implications

- 5.2 The new Environment Act has undergone its first reading, the requirements of the new legislation will need to be considered as part of the options appraisal, but may not be fully known until 2022. [Page 17 of 19](#)

- 5.3 The Waste (England and Wales) (Amendment) Regulations 2012, require the separate collections of materials (paper, card, metal, glass and plastics) except where we can demonstrate either a Technical, Environmental, Economic or Practicable (TEEP) reason for not moving to a fully source segregated service, it is almost certain that the new Environment Act will require the separate collection of food waste unless TEEP applies.

Corporate Plan Implications

- 5.4 The current Corporate Plan is committed to increasing recycling and as a significant Environmental focus, any changes to service provision will primarily focus on the practicable delivery of this aim.

Risk Impact

- 5.5 Risks and opportunities will form a significant element of the option appraisal and will be subject of a future report.

6.0 Community Impact

Consultation

- 6.1 There will inevitably be some impacts on the Community where service delivery is changed to meet future targets and aspirations, it is important that in order to be successful we bring our Community on the journey with us. Consultations with the public will be dependent on the outcome of any options appraisal.

Equality and Diversity Impact

- 6.2 To be considered as part of the options appraisal.

Social Value Impact

- 6.3 To be considered as part of the options appraisal.

Environmental Sustainability

- 6.4 The Government Resources and Waste Policy and new Environment Act should provide the biggest driver to delivering Environmental Sustainability for future generations and it is essential that the Council take this opportunity to be a the forefront of service delivery innovation.

7.0 Conclusions

- 7.1 There are no short-term fixes to significantly improve recycling performance by more than one or two percentage points.
- 7.2 There is a certain amount of uncertainty for future service provision due to the ongoing developments in Government legislation and its timing in relation to the Council's recycling and composting contracts.

- 7.3 There are a number of potential risks around committing to a service model at the present time; however, there are also significant potential opportunities.
- 7.4 The recycling service cannot be viewed in isolation to the whole waste collection and disposal service.

8.0 Background Papers

- 8.1 Resources and Waste Policy
- 8.2 WRAP Derbyshire Waste Collections Options Summary
- 8.3 Draft Environment Act
- 8.4 The Waste (England and Wales) (Amendment) Regulations 2012

Notes:

- * Category – Please see the Committee Terms Of Reference in [Responsibility for Functions - Committees](#). This shows which committee is responsible for each function and whether it has delegated authority to make a decision, or needs to refer it elsewhere with a recommendation.
- ** Open/Exempt - All reports should be considered in the open section of the meeting, unless it is likely that exempt information would be disclosed. Please see the [Access to Information Procedure Rules](#) for more guidance.
- *** Committee Terms Of Reference in [Responsibility for Functions - Committees](#).