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PUBLIC

To: Members of Cabinet Member - Infrastructure and Environment

Tuesday, 6 July 2021

Dear Councillor

Please attend a meeting of the **Cabinet Member - Infrastructure and Environment** to be held at **11.00 am** on **Thursday, 15 July 2021**; in the Members Room, County Hall, Matlock DE4 3AG the agenda for which is set out below.

Yours faithfully

A handwritten signature in black ink that reads 'Helen E. Barrington'.

Helen Barrington
Director of Legal Services

AGENDA

1. To receive Declarations of Interest (if any)
2. To receive Petitions (if any)
3. To confirm the Minutes of the Cabinet member meeting – Infrastructure and Environment held on 17 June 2021 (Pages 1 - 2)
4. To consider the non-exempt Joint Report of the Executive Director - Place and the Director of Finance & ICT on Performance and Revenue Outturn 2021-21 – Quarter 4. (Pages 3 - 14)

5. Review of Charges and Payments for Commercial Waste, Abandoned Vehicles, Recycling Credits and Excess Mileage (Pages 15 - 20)

PUBLIC

MINUTES of a meeting of the **CABINET MEMBER FOR INFRASTRUCTURE AND ENVIRONMENT** held on 17 June 2021

PRESENT

Cabinet Member - Councillor C Renwick

Also in attendance – Councillor A Sutton

01/21 **MINUTES** **RESOLVED** to receive the Minutes of the meeting of the Cabinet Member for Highways, Transport and Infrastructure held on 11 March 2021.

02/21 **REPAIR AND IMPROVEMENT OF BROWNS BRIDGE, HIGH PEAK JUNCTION ON THE CROMFORD CANAL** Brown's Bridge was a hand operated, swing bridge on the Cromford Canal at High Peak Junction. The bridge pivots on a cast iron base with wrought iron balls which were badly worn, the operation of the bridge required at least three members of Friends of Cromford Canal (FoCC), who operated the trip boat (Birdswood) between Cromford Wharf and Leawood Pump House, to push it open and shut.

FoCC with the agreement of the Countryside Service, the Council's Structures Team and Heritage England have been exploring a scheme to fit a modern bearing to the bridge that preserves the original pivot and bearing and has conducted a procurement exercise. The returned tenders were significantly higher than expected with the cheapest tender quote being £72,000. FoCC has reviewed the costs within the tender and believed that it could reduce this figure by £10,000, bringing the project cost down to £62,000.

FoCC has advised Council officers it could commit £15,000 towards the project leaving a shortfall in funding of £47,000. Unfortunately, a Lottery application for the balance was unsuccessful.

The Countryside Service did not have sufficient revenue funding to meet the shortfall in funding and enable implementation of the scheme. A capital bid could be considered, but the earliest a new capital bid could be submitted would be autumn 2021 for 2022-23 financial year. As an alternative, an existing capital reserve has been identified that could be used to fund the project. Confirmation that the Council was able to contribute £47,000 to the project would allow FoCC to mobilise their contractor to commence in June 2021, with a programme completion date of July/early August.

RESOLVED to approve a Capital funding of £47,000 to repair and improve Browns Bridge at High Peak Junction on the Cromford Canal, to allow easy operation of the bridge and the resumption of the canal trip boat service along its full route.

03/21 **EXCLUSION OF THE PUBLIC** **RESOLVED** that under Regulation 4 (2)(b) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the public be excluded from the meeting for the following items of business on the grounds that in view of the nature of the items of business, that if members of the public were present, exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 would be disclosed to them.

SUMMARY OF PROCEEDINGS CONDUCTED AFTER THE PUBLIC, INCLUDING THE PRESS, WERE EXCLUDED FROM THE MEETING

1. To receive the exempt minutes of the meeting held on 11 March 2021

04/21 **EXEMPT MINUTES** **RESOLVED** to receive the exempt minutes of the meeting of the Cabinet Member for Highways, Transport and Infrastructure held on 11 March 2021.

Meeting start time: 13:40

Meeting end time: 13:50

DERBYSHIRE COUNTY COUNCIL

MEETING OF CABINET MEMBER – INFRASTRUCTURE AND ENVIRONMENT

15 July 2021

Joint Report of the Executive Director - Place and the Director of Finance & ICT

PERFORMANCE AND REVENUE OUTTURN 2020-21 – QUARTER 4

(1) **Purpose of Report** To provide the Cabinet Member with an update of the Council Plan performance and the revenue outturn position of the former Highways, Transport and Infrastructure portfolio for 2020-21. This report does contain elements that will be contained under different portfolios following the Council's Annual General Meeting on 26 May.

(2) **Information and Analysis**

1.1 Integrated Reporting

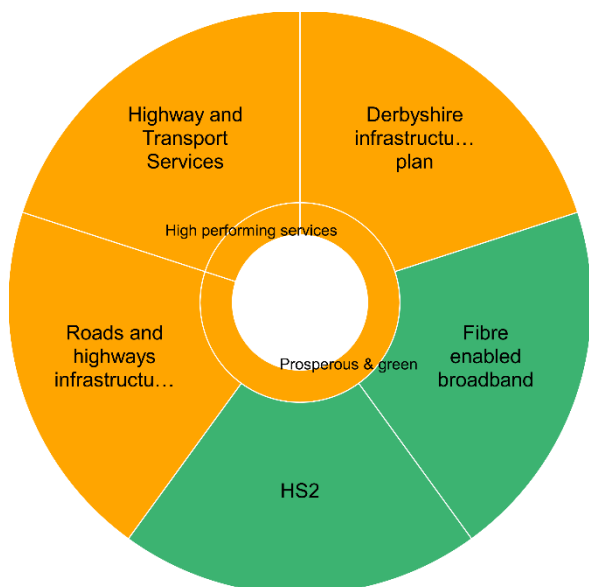
This report presents both financial and Council Plan performance data. The performance summary sets out progress on the Council Plan deliverables and measures led by the Highways, Transport and Infrastructure portfolio. The remainder of the report gives a summary and detail on the revenue outturn position for the portfolio.

As an overview, the report shows that progress is "good" for 2 out of the 5 Council Plan deliverables led by the portfolio, however, the deliverables "Roads and highways infrastructure", "Derbyshire infrastructure plan" and "Highway and Transport Services" have been flagged as "requiring review". After the use of additional Covid-19 funding, the outturn position for 2020-21 is an overspend of £0.137m. It is calculated that £2.346m of savings have been achieved by the year end. This compares to target savings of £6.660m and the value of savings initiatives, which have been identified for implementation in the current year, of £2.976m.

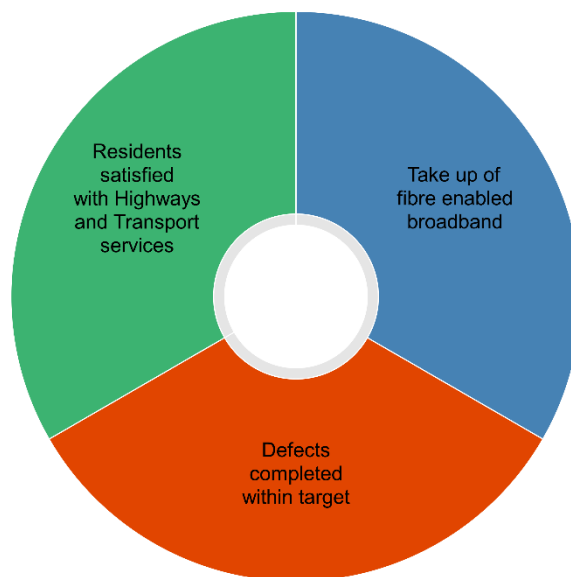
1.2 Performance Summary

The following shows an overview of progress on the Council Plan deliverables and measures relating directly to Highways, Transport and Infrastructure.

Deliverable Progress



Performance Measures Against Target



Performance Measures Against Target

	2018/2019	2019/2020	2020/2021	Target	Performance
Percentage of homes and businesses with fibre enabled broadband	54.8%	62.6%	69.1%	61.0%	★
Percentage of defects completed within target	71.5%	77.2%	71.0%	90.0%	🚧
Percentage of residents satisfied overall with Highways and Transportation services	55.0%	55.0%	54.0%	55.0%	✅

Key ★ Strong ✅ Good 🟡 Review 🚧 Action 🟡 Data not available/Target not set

Key area of success is:

Completion of Contract 2 for fibre enabled broadband was essentially achieved in December 2020, which has resulted in 21,000 additional properties being connected; this is in addition to the 86,000 connected during Contract 1. BT has connected an additional 90,000 premises as part of commercial roll out (Fibre to Premise). Connection will continue to 64 communities from Quarter 4 onwards as part of completing the work with BT on Contract 2.

Key areas for consideration are:

During the year, a total of 71% of all highway defects were completed within target which compared with 77.2% for the previous year. The adverse weather conditions during Quarters 3 and 4 and the impact of COVID-19 pandemic, together with the back log of work from previous years, has had a significant impact on performance which has resulted in work being behind programme. To address these issues, additional resources have been applied to bring the situation back to a satisfactory position.

In addition, a significant amount of the £40m programme of highway improvement schemes will be targeted at repairs to the network resulting from the floods which occurred towards the end of 2019 and the beginning of 2020. These floods damaged carriageways and structures, and resulted in two major landslips that washed away roads

A programme to tackle drainage and surface deterioration and prevent potholes in the future is also underway which will help with improving customer satisfaction levels with the condition of the County's highway network.

Further information on the portfolio's Council Plan performance are included at Appendix A.

1.3 Outturn Summary

The net controllable budget for the Highways, Transport and Infrastructure portfolio is £80.632m.

The Revenue Outturn Statement for 2020-21 indicates there is a year-end overspend of £0.137m.

Outturn against target budget

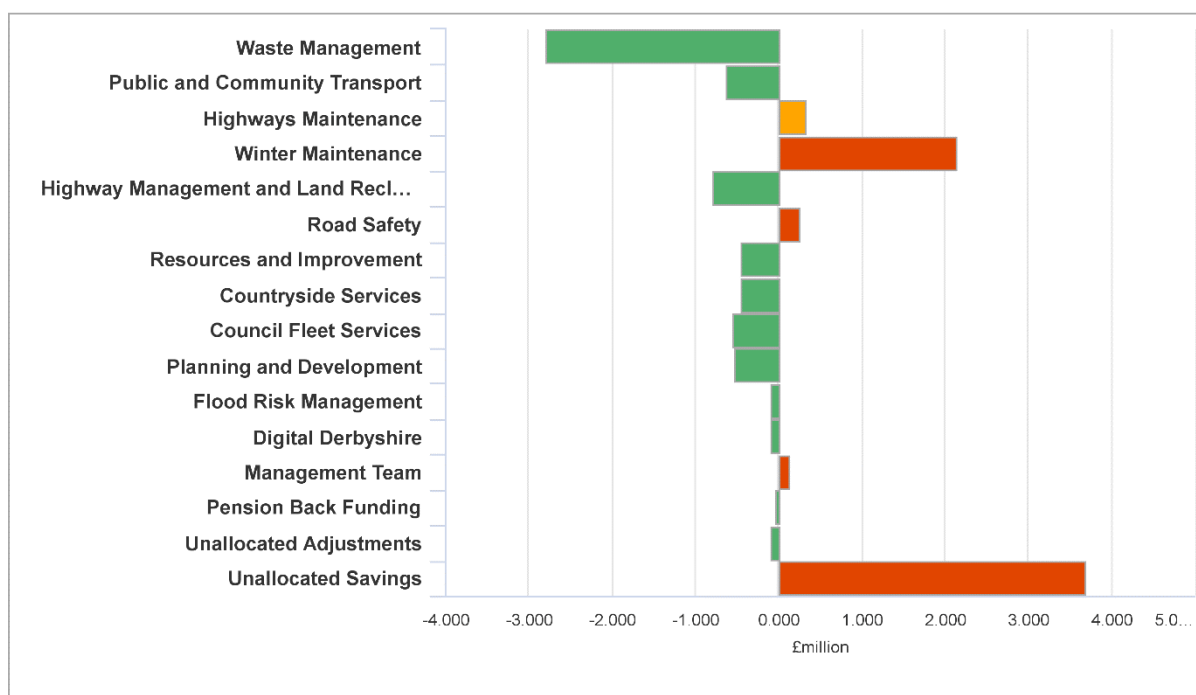


The areas which make up the outturn are shown in the following table and graph below:

Highways, Transport & Infrastructure Budget Items

	Controllable Budget £m	Actual Expenditure £m	Under (-)/Over Spend £m	Percentage Under (-)/Over Spend	Budget Performance
Waste Management	47.074	44.279	-2.795	-5.9%	✓
Public and Community Transport	14.016	13.391	-0.625	-4.5%	✓
Highways Maintenance	11.965	12.303	0.338	2.8%	⚠
Winter Maintenance	1.473	3.612	2.139	145.2%	⚠
Highway Management and Land Reclamation	3.026	2.253	-0.773	-25.5%	✓
Road Safety	0.106	0.367	0.261	246.2%	⚠
Resources and Improvement	2.536	2.096	-0.440	-17.4%	✓
Countryside Services	2.646	2.197	-0.449	-17.0%	✓
Council Fleet Services	-0.769	-1.305	-0.536	-69.7%	✓
Planning and Development	0.761	0.243	-0.518	-68.1%	✓
Flood Risk Management	0.321	0.238	-0.083	-25.9%	✓
Digital Derbyshire	0.154	0.069	-0.085	-55.2%	✓
Management Team	0.613	0.752	0.139	22.7%	⚠
Pension Back Funding	0.329	0.294	-0.035	-10.6%	✓
Unallocated Adjustments	0.065	-0.020	-0.085	-130.8%	✓
Unallocated Savings	-3.684	0.000	3.684	100.0%	⚠
Total	80.632	80.769	0.137	0.2%	⚠

Under (-)/Over Spend



1.4 Key Variances

1.4.1 Waste Management, underspend £2.795m

The underspend is due to short-term savings under the service continuity arrangements and variable tonnages.

1.4.2 Public and Community Transport, underspend £0.625m

The main area of underspend is within Gold Card. Due to Covid-19 guidance restricting travel, the operators have not been paid the full amount that they would usually have been.

1.4.3 Winter Maintenance, overspend £2.139m

The budget for winter maintenance is £1.473m and spend this year was £3.612m. Much of the cost for an average winter is paid in advance of any severe weather. Grit salt is a major item of expenditure and stocks are maintained in accordance with Department for Transport recommendations. Fleet is the other major cost and sufficient vehicles are an unavoidable cost. The overspend is due to these costs in addition to some spells of severe weather during this winter.

1.4.4 Highway Management and Land Reclamation, underspend £0.773m

The underspend is due to having a high number of vacancies, with delays in recruitment due to the impact of Covid-19.

1.4.5 Council Fleet Services, underspend £0.536m

The underspend results from additional income for vehicle maintenance.

1.4.6 Planning and Development, underspend £0.518m

An increase in income from Section 38 and 278 (Highways Act 1980) agreements are the main contributors to this underspend.

1.4.7 Unallocated Savings, overspend £3.684m

This overspend is an accumulation of unallocated savings targets. More information is included in the Budget Savings Section later in the report.

1.5 Covid-19 Funding

The above figures include all additional costs incurred due to Covid-19 and the funding provided to cover those costs. The table below details these areas of expenditure.

Covid-19 Funding

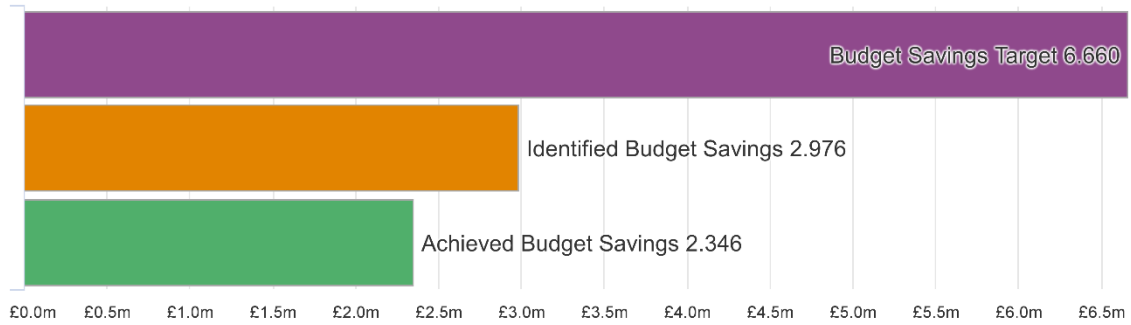
Description	Additional Costs £m	Savings Slippage £m	Loss of Income £m	Offsetting Income £m	Total Funded by Corporate Covid-19 Grant £m
Waste Management	3.563	0.230	0.015	0.000	3.808
Public & Community Transport	0.011	0.000	0.004	0.000	0.015
Highway Maintenance	0.691	0.000	0.000	(0.443)	0.248
Highway Management & Land Reclamation	0.221	0.000	0.499	0.000	0.720
Resources & Improvement	0.001	0.000	0.063	0.000	0.064
Countryside Services	0.037	0.400	0.000	0.000	0.437
Council Fleet Services	0.156	0.000	0.002	0.000	0.158
Planning & Development	0.000	0.000	0.590	0.000	0.590
Total	4.680	0.630	1.173	(0.443)	6.040

1.6 Budget Savings

Budget reduction targets totalling £1.426m were allocated for the year. Further reductions allocated in prior years, totalling £5.234m, had not been achieved and were brought forward to 2020-21. This resulted in the total reduction targets to be achieved at the start of the year of £6.660m.

Savings of £2.976m were identified in the year meaning that £3.684m will be carried forward to 2021-22. Of the £2.976m identified, £2.346m was achieved; £0.630m was not achieved.

Budget Savings



Budget Savings Initiatives

	Budget Reduction Amount £m	Forecast to be Achieved by the end of 2020/21 £m	Shortfall (-)/ Additional Savings Achieved £m	
Countryside	0.400	0.000	-0.400	❌
Highways Staffing	0.258	0.258	0.000	✅
Waste - HWRC	0.230	0.000	-0.230	❌
Public Transport	0.450	0.450	0.000	✅
B_Line (allocated to Gold Card)	0.088	0.000	-0.088	❌
Budget Challenge 2020-21	0.150	0.150	0.000	✅
Development Control S38/278 Income	0.600	0.600	0.000	✅
Gold Card	0.300	0.388	0.088	✅
Waste	0.500	0.500	0.000	✅
Total Position	2.976	2.346	-0.630	❌
Shortfall/(Surplus) of Identified Savings	3.684	0.000	-3.684	

	Budget Reduction Amount £m
Prior Year B/f	5.234
Current Year	1.426
Budget Savings Target	6.660

1.7 Growth Items and One-Off Funding

The portfolio received the following additional budget allocations in 2020-21:

1.7.1 Ash Dieback - £0.270m one-off

Ash Dieback will lead to the decline and death of the majority of ash trees in Britain. The Countryside Service is leading a corporate-level response with relevant departments, developing a corporate Ash Dieback Action Plan, initiating a programme of inspection to quantify the scale of the problem on the Council's estate including the surveying, felling and replanting of trees on Council land. It is considered likely that this funding will turn into a multi-year commitment once evaluation work has been performed.

Outcome of 2020-21: £0.025m of the growth bid was spent in 2020-21. This was due to a delay in recruiting the Project Officer due to Covid-19 restrictions. The remaining £0.245m remains committed, and will be requested to be carried forward into 2021-22 as part of the summary Cabinet report.

1.7.2 Elvaston Castle Masterplan - £0.200m one-off

Cabinet approved the Elvaston Castle Masterplan on 20 December 2018, following a public consultation exercise. A delivery programme and business case was prepared to identify the capital investment required and income generation opportunities involved in delivering the Masterplan which was approved in principle by Cabinet in September 2020. This one-off funding is being spent on the preparatory and design work associated mainly with the construction of the access drive and car park elements of the programme.

Outcome of 2020-21: Of the £0.200m growth bid, £0.106m was spent in 2020-21. The remaining £0.094m has been put into a reserve to cover future costs, as agreed previously. Due to the timescales for the planning application, this will be spent in 2021-22.

1.8 Earmarked Reserves

Earmarked reserves totalling £18.931m are currently held to support future expenditure. Details of these reserves are as follows:

Reserves		£m
ETE Underspend reserve (to assist with managing the department's savings programme)	▼	7.519
ETE underspend reserve (committed to specific projects)	↑	3.782
Committed Liabilities - Revenue	↑	2.218
Winter Maintenance	=	2.000
Committed Liabilities - Capital	↑	1.082
Grants	▼	1.039
Waste Recycling Initiatives	=	0.598
Money held on behalf of other Councils and Partnerships	↑	0.454
Derby and Derbyshire Road Safety Partnership	▼	0.202
Renewals funds regarding Lab and Fleet equipment	=	0.037
Total Reserves	↑	18.931

Key

- ↑ Reserve has increased over the final quarter
- = Reserve is unchanged over the final quarter
- ▼ Reserve has decreased over the final quarter

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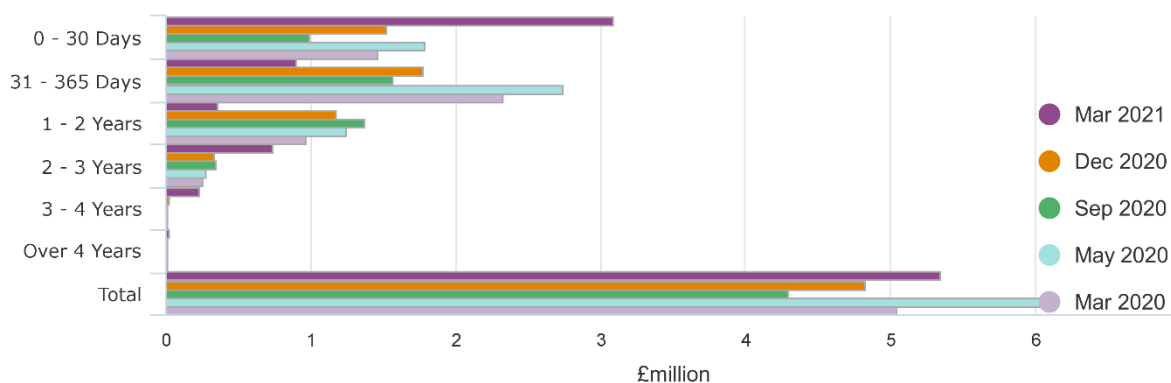
1.9 Debt Position

The profile of the debt raised, relating to income receivable by services within the Economy, Transport and Environment department, is as follows:

Debt Position

0 - 30 Days £m	31 - 365 Days £m	1 - 2 Years £m	2 - 3 Years £m	3 - 4 Years £m	Over 4 Years £m	Total £m
3.087	0.902	0.362	0.740	0.232	0.022	5.345
↑	↓	↓	↑	↑	↑	↑
57.8%	16.9%	6.8%	13.8%	4.3%	0.4%	100.0%

Aged Debt over Time



In the year up to 31 March 2021 the value of debt that has been written off totals £0.026m.

(3) **Financial Considerations** As detailed in the report.

(4) **Other Considerations**

In preparing this report the relevance of the following factors has been considered: legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property, social value and transport considerations.

(5) **Key Decision** No.

(6) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(7) **Background Papers** Held on file within the Place Department.

(8) **OFFICER'S RECOMMENDATIONS** That the Cabinet Member notes the report.

Chris Henning
Executive Director- Place

Peter Handford
Director of Finance & ICT

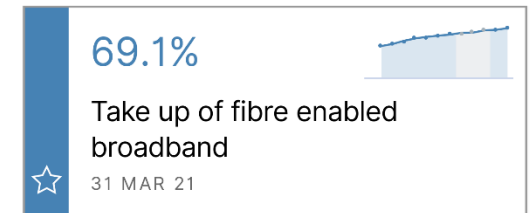
Highways, Transport and Infrastructure End of Year Council Plan Performance Report 2020-21

Progress on Council Plan deliverables and key measures

A prosperous and green Derbyshire

✔ Increased the fibre enabled broadband coverage across Derbyshire for homes and businesses

Contract 2 for Digital Derbyshire has now been successfully completed at March 2021 with overall take up levels confirmed as 69%, although additional take up will still come forward up to the end of June 2021. The Top up Voucher scheme was launched in September 2020 and £258k of investment so far has facilitated 15 community projects covering 1066 premises with a combined total project value of £1.27m. The Gigabit Voucher scheme closed on the 31 March 2021 and a new scheme has now been launched. Our remaining Top Up fund of £242k will be applied to this new scheme until the fund is fully utilised. Reassessment of digital white spots (where there is no existing or limited coverage) is being undertaken.

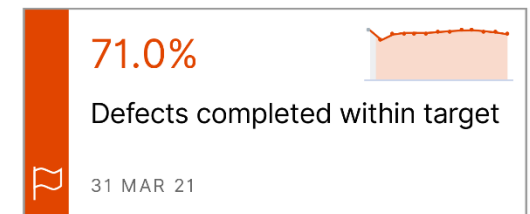


◻ Invested in well maintained roads and highways infrastructure

The delivery of the capital programme involves a significant increase in resources from previous years. Arrangements are now in place with two national contractors to deliver key packages of the programme such as resurfacing and surface dressing roads. Similar measures are under way to provide the design capacity for the maintenance and improvement schemes in the works programme.

A dedicated drainage team, including the flood risk team, has been established to tackle recent and historic drainage and flooding issues as part of the capital programme.

- A total of 71% of all highway defects were completed within the appropriate target timescale (this will range from 2 hours, 32 hours, 9 or 28 days and will be determined by the severity of the defect reported) during 2020/21 compared with 77.2% for the previous year. It should be acknowledged that due to adverse weather conditions within this quarter, the Covid-19 pandemic and the impact of previous years back log, work is behind programme. To address these issues additional resources have been applied, and we are currently repairing on average 700 potholes a day. The increased resources will continue until the situation is back to a satisfactory level.



✔ Worked to maximise growth opportunities arising from HS2 and to mitigate impact

The National Infrastructure Commission report was issued late December 2020 recommending that HS2 East is not implemented in full. Active lobbying has taken place with Government Ministers to ensure the full growth opportunities from the HS2 proposals are realised. The Integrated Rail Plan (IRP) was due to be published in Quarter 4 but is now not expected until after the local government elections; the IRP will confirm whether HS2 East goes ahead or not. In the meantime, alternative strategies are being developed to identify other transport and growth opportunities.

Work includes coming forward with an alternative proposal to the completion of the whole HS2 eastern leg which would negate many of the impacts of the initial HS2 proposal in Derbyshire. This alternative arrangement would involve routeing the high speed services via existing rail lines in the county which would be upgraded to cope with the new services rather than building completely new links. A study into these alternative proposals will be completed in June 2021.

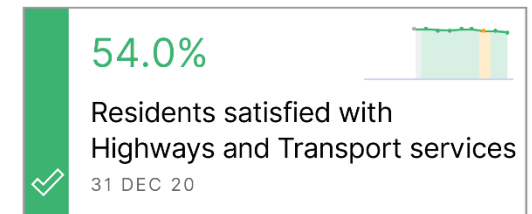
Completed the development and started the implementation of The Derbyshire Infrastructure Investment Plan to support good growth

The Derbyshire Infrastructure Investment Plan is now referred to as the "Strategic Growth Infrastructure Framework" which a final draft has been completed. It is the intention to report the final version to the next Joint Economic Prosperity Committee for approval.

High performing council services

Continued to maintain high levels of customer satisfaction in the Council’s Highway and Transport Services

Additional resources have been directed at repairing highway defects as this is the area of greatest concern with the public. The capital programme for 2021/22 is also focused on priority areas such as drainage improvements, carriageway and footway surfacing and surface dressing which should improve levels of customer satisfaction.



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Key Strong Good Review Action Data not available/Target not set

DERBYSHIRE COUNTY COUNCIL

MEETING OF CABINET MEMBER – INFRASTRUCTURE AND ENVIRONMENT

15 July 2021

Report of the Executive Director – Place

REVIEW OF CHARGES AND PAYMENTS FOR COMMERCIAL WASTE, ABANDONED VEHICLES, RECYCLING CREDITS AND EXCESS MILEAGE

(1) **Purpose of Report** To review a number of charges made to the Waste Collection Authorities for the disposal of commercial waste and County Council payment rates for recycling credits, abandoned vehicles and excess mileage related to the delivery of waste management services within the County.

(2) **Information and Analysis**

Commercial Waste Disposal Recharge Costs

The District and Borough Councils, as Waste Collection Authorities (WCAs), have a statutory duty to collect, on request, commercial waste from a range of organisations, such as businesses, markets, Government offices, etc. They collect around 13,000 tonnes of commercial waste per year, approximately 4% of the total municipal waste stream in Derbyshire.

The majority of commercial waste in the County is collected and disposed of by private sector waste collection companies. The commercial waste collected by the WCAs is, however, disposed by the County Council through its waste management contracts with Renewi UK Services Ltd. The contract costs for disposal are initially met by the County Council and then recharged to the WCAs, as a straight pass through cost.

At a meeting on 12 September 2019, the Cabinet Member – Highways, Transport and Infrastructure approved the commercial waste disposal recharge rate for 2019-20 (Minute No. 47/19 refers). The recharge comprises a gate fee and contractual disposal costs incurred by the County Council, together with an administration fee. The following table details the rates charged for the previous year and sets out proposed revised charges for 2021-22:

Commercial Waste Recharge	2020-2021	2021-2022
Total per tonne (gate fee + contractual disposal costs)	£137.88	£141.04
Annual administration fee per WCA	£1324.00	£1343.86

The gate fee increases on an annual basis, calculated using the April Retail Price Index (RPI) rate published by the Office of National Statistics. The contractual disposal costs are inflated in accordance with contractual requirements.

The annual administration fee has been set to meet the costs incurred by the County Council while its officers carry out the work involved in administering the WCA recharge. Due to the anticipated 1.5% Local Government pay increase for 2021-22, WCAs will incur a charge of £1,343.86. Should the pay increase not be approved during the financial year, the 1.5% will be reimbursed (£19.86 per WCA).

It is proposed that the commercial waste disposal recharge rate for 2021-22 is set at £141.04 per tonne with an annual administration fee of £1,343.86.

Abandoned Vehicle Agency Agreement

At a meeting on 27 August 2009, the Cabinet Member for Technology and Recycling approved a revised Agency Agreement for managing the disposal of abandoned vehicles in the County (Minute No. 11/09 refers). This agreement enables the WCAs to provide all aspects of inspection, collection and disposal of abandoned vehicles and to share appropriate costs with the County Council.

The Agency Agreement provides a payment to the WCAs to manage the administration of the disposal of vehicles on behalf of the County Council. The cost of disposal can both increase and decrease according to variations in the scrap metal market.

In 2009, the Cabinet Member for Technology and Recycling agreed a base rate agency payment for administration of £30 per abandoned vehicle with an annual adjustment based on RPI. The 2020-21 rate of £41.33 is subject to an increase of 2.9%, based on the April 2021 RPI figure issued by the Office of National Statistics, resulting in a proposed revised payment per vehicle of £42.53. It is anticipated that the total budget for abandoned vehicles will be £38,000.

Recycling Credits

The Environmental Protection Act 1990 and the Clean Neighbourhoods Act 2005 place a duty on Waste Disposal Authorities (WDAs) to provide a

financial incentive to WCAs and third-party organisations to recycle household waste. WDAs have a duty to pay recycling credits based on the savings in disposal and collection costs which result from recycling household waste.

The Department of Environment, Food and Rural Affairs (DEFRA) issued guidance in 2006 requiring recycling credits to be based on the average cost of landfill in 2005-06 and subsequently to increase by 3% per year.

In 2020-21, the recycling credit rate was £60.04 per tonne. The usual patterns of waste collection and disposal in the County have been greatly affected by the Covid-19 pandemic and an increase in kerbside recycling tonnages against which the County Council pays recycling credits has been observed. This may be attributed to a majority of Derbyshire's residents working from home during lock down. Taking this into account, the County Council's total payment for recycling credits for this year is estimated at £5.5 million to WCAs and £13,500 to voluntary groups.

In accordance with DEFRA guidelines a statutory 3% increase is applied each year and so the proposed rate for 2021/22 is £61.84 per tonne.

At this time it is difficult to estimate the total costs the County Council may be liable to pay in 2021-22 because there is still some uncertainty as to when residents will be able to return to their workplaces and Covid-19 restrictions removed. It has been estimated that in a worst-case scenario the total cost will be approximately £5.9 million for WCAs and voluntary groups combined.

Excess Mileage Payments

The County Council has an agreed policy for excess mileage payments to the District/Borough Councils for excess mileage incurred in transporting waste to their designated delivery point. Excess mileage is defined and calculated as mileage incurred from a point 5 miles from a District/Borough boundary to the point of delivery and the return trip.

The formula for payment was devised by the National Association of Waste Disposal Officers (NAWDO) and adopted by the County Council in agreement with all the District/Borough Councils. The policy was adopted taking account of the requirements of the Environment Protection Act 1990 to make a reasonable contribution to District/Borough Councils for expenditure reasonably incurred in delivering waste to the designated delivery point.

In 2020-21, the payment was £0.99 per tonne per mile or £39.67 per hour travelled for small/lightweight loads. These rates are inflated each year using the April RPI rate issued by the Office of National Statistics and so the proposed rate for 2021-22 is £1.02 per tonne per mile or £40.82 per hour travelled. The estimated annual budget expenditure for 2021-22 is £63,000.

Submission of reports to the Cabinet Member meeting for approval

Cabinet Member approval for the application of new annual rates was historically sought on an annual basis, however, it was agreed within the 12 September 2019 Cabinet Member meeting that all future approvals would be requested on a bi-annual basis. The next subsequent report is due 2021.

The next report will be submitted to the Cabinet Member meeting during 2023-24 – rates for 2022-23 being calculated using the methods described above and implemented without submitting a report for approval to implement them.

This streamlines the time taken to process WCAs recharges and enables them to receive their payments in a timely manner, particularly at the start of the year.

(3) **Financial Considerations** The proposed commercial waste recharges will ensure that all commercial waste disposal costs are met by the WCAs resulting in zero cost to the Council, but the recharge will generate approximately £10,500 in administration fees in both 2021-22 and 2022-23.

The abandoned vehicle payments in respect to the Agency Agreement are estimated to total £38,000 in 2021-22.

The total recycling credit payments are estimated to be £5.9 million in 2021-22.

The excess mileage payments are estimated to be £63,000 in 2021-22.

The three figures above will be increase by the inflation rates detailed in this report for 2022-23.

The report sets out the rates for the current financial year, and are all based on either legislation, government guidance, contractual or service levels agreements and therefore there is currently little flexibility on the annual increments charged.

All of the above costs can be contained in the current Waste Management Revenue budgets. The recharge rates will continue to be reviewed and set on an annual basis in future years.

(4) **Other Considerations**

In preparing this report the relevance of the following factors has been considered; legal, prevention of crime and disorder, equality and diversity, human resources, environmental, health, property, social value and transport considerations.

(5) **Key Decision** No.

(6) **Call-In** Is it required that call-in be waived in respect of the decisions proposed in the report? No.

(7) **Background Papers**

Cabinet Member Meeting – Highways, Transport and Infrastructure, 12 September 2019.

Review of Charges and Payments for Commercial Waste, Abandoned Vehicles, Recycling Credits and Excess Mileage.

Cabinet Member Meeting – Technology and Recycling, 27 August 2009, Renewal of Agency Agreement for the Storage and Disposal of Abandoned Vehicles and Sharing of Costs.

Agency Agreement held on file in the Waste Management Section of the Place Department and Report of the Director of Environmental Services on 9 December 2004.

(8) **OFFICER'S RECOMMENDATIONS** That the Cabinet Member approves:

8.1 The commercial waste disposal recharge rate for 2021-22 at £141.04 per tonne plus an annual administration charge to each Waste Collection Authority of £1343.86.

8.2 The abandoned vehicle rate for 2021-22 at £42.53 per vehicle in accordance with the Agency Agreement.

8.3 The recycling credit rate for 2021-22 at £61.84 per tonne.

8.4 The excess mileage payment for 2021-22 at £1.02 per tonne per mile or £40.82 per hour travelled.

8.5 That the same principle for calculation of the above sums is used for the 2022-23 figures and a further report is presented to the Cabinet Member in 2023.

Chris Henning
Executive Director - Place

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