

**Essex Waste Partnership – Inter Authority Agreement**

Agenda Item 7a

<b>Portfolio Area:</b>	Environment & Sustainability
<b>Report Presented by:</b>	Cllr Robert Mitchell. Deputy Cabinet Member
<b>Background Papers:</b>	Essex Joint Municipal Waste Management Strategy
<b>Corporate Implications:</b>	Please refer to table at end of report
<b>Options:</b>	To agree the provisions of the Inter-Authority Agreement or to propose amendments
<b>Risks:</b>	Addressed within the report

**Executive Summary**

The Inter-Authority Agreement (IAA) is intended to provide a clear and accountable framework under which Waste Collection Authorities (WCAs) and the Waste Disposal Authority (WDA) can work together, in the context of the Joint Municipal Waste Management Strategy for Essex, to fulfill their respective responsibilities and achieve their targets for waste reduction and diversion.

It is a complex, legally binding document that spans approx. 25 years and therefore legal representatives, Sharpe Pritchard, were appointed to advise the WCAs on the implications of the proposed Agreement. A briefing note prepared by Sharpe Pritchard giving an overview of the benefits, obligations, risks and remedies within the Agreement is attached at Appendix 1.

Members will be aware that ECC intends to procure a multi-million pound waste disposal infrastructure (through a Private Finance Initiative/Public/Private Partnership bid) that will serve Essex well into the future. The IAA will help ECC to satisfy DEFRA that it can deliver the project and secure the necessary support from the WCAs. Even if PFI is not the financing route, the IAA will be needed to demonstrate to the waste industry and potential providers of finance (e.g. PPP) that ECC and the WCAs will work in partnership to deliver sufficient and suitable waste to feed the facilities being procured.

ECC has agreed to fund a major investment programme to support improvements to recycling and composting capacity across Essex - primarily for the collection of food waste. However, this funding is dependent on support for and compliance with the terms of the IAA and meeting the targets set out in the Service Delivery Plans (see Appendix 2) which includes proposals for a food waste collection service in Braintree which would stretch our recycling performance to well over 50%.

Whilst the Council is not under any obligation to sign up to the IAA, failure to do so would result in Braintree having little influence over future waste management planning, nor would it benefit from the significant capital and revenue funding that has been offered by ECC to improve our recycling performance.

**Decision**

1. To agree to the Council signing up to the Inter-Authority Agreement.
2. To delegate responsibility to the Head of Law & Governance to finalise the Agreement, in consultation with the Chief Executive.
3. To approve the Service Delivery Plan at Appendix 2 which has been submitted by Braintree District Council in accordance with the Inter-Authority Agreement.

## **BACKGROUND**

In May 2007, the Government published a new Waste Strategy for England which demanded a more integrated approach to waste management, both in terms of collection and disposal, and in the treatment of municipal and non-municipal waste.

This was supported by the Waste and Emission Trading Act 2003 which imposed a statutory duty on authorities in two-tier areas such as Essex, to draw up a cohesive integrated waste management strategy. This led to the creation of the Joint Municipal Waste Management Strategy for Essex (JMWMSE), covering the period 2007 to 2032, which was endorsed by the Council in the Spring of 2008.

The purpose of the Inter-Authority Agreement is to establish a clear and accountable framework under which the authorities can work together in the context of the JMWMSE to deliver their respective responsibilities.

Whilst the JMWMSE does not bind Braintree District Council to entering into the IAA, the full benefits of working together as advocated in the Strategy, will not be realized unless we do so.

## **THE INTER-AUTHORITY AGREEMENT**

The IAA is a complex legal document comprising 9 parts, accompanied by 11 schedules. Whilst the overall agreement is generic to all Essex authorities, Schedule 8 relates to the specific service delivery arrangements within the Braintree District. The Service Delivery Plan at Appendix 2 forms an integral part of the IAA and is a statement of both current service arrangements and an indication of service delivery for the next five years, subject to it being ratified by the Council.

A Summary Report produced by Sharpe Pritchard, lawyers acting on behalf of the WCAs, gives an overview of the obligations, benefits and risks associated with the IAA. This is attached at Appendix 1.

The key objectives of the IAA are set out below:-

- a) To deliver better value for money in the procurement of recycling and waste treatment facilities by establishing greater certainty over the scope of facilities required, together with more precise forecasts of quantity and composition of municipal waste streams being managed in Essex.
- b) To facilitate the WCAs in making a step change in their recycling services ahead of the procurement of major waste treatment facilities through the provision of a package of financial support.
- c) This step change in recycling across Essex will significantly increase the County's recycling performance.
- d) To demonstrate the strength of the Essex Waste Partnership to Government in support of the Essex and Southend application for PFI credits.
- e) To demonstrate to the private sector waste market that the Essex Waste Partnership is operating in a planned and coordinated manner with clarity over its service requirements and targets.
- f) To demonstrate to the public the practical steps that the authorities are jointly taking to deliver the Joint Municipal Waste Management Strategy for Essex.

## SUMMARY OF THE PROVISIONS WITHIN THE INTER-AUTHORITY AGREEMENT

<b>Part I - Essex Waste Partnership</b>	
Main provisions	<ul style="list-style-type: none"> <li>▪ Acting in good faith and reasonably</li> <li>▪ Reports and records</li> <li>▪ IAA Officer Working Group</li> <li>▪ Decision making</li> </ul>
<b>Part II - Review procedure and amendments to IAA</b>	
Main provisions	<ul style="list-style-type: none"> <li>▪ Initial review (break clause)</li> <li>▪ Annual review</li> <li>▪ Reviews procedure for ad hoc reviews</li> <li>▪ Provisions relevant to all reviews</li> <li>▪ Amendments</li> </ul>
<b>Part III - PPP procurement of waste treatment infrastructure</b>	
Main provisions	<ul style="list-style-type: none"> <li>▪ WDA commitments and responsibilities</li> <li>▪ WCA commitments and responsibilities</li> <li>▪ WCA baselines</li> <li>▪ Liabilities of WCAs</li> <li>▪ Statutory directions and notices</li> <li>▪ Project agreement</li> </ul>
<b>Part IV - Service Delivery Plans</b>	
Main provisions	<ul style="list-style-type: none"> <li>▪ Service Delivery Plans</li> <li>▪ Organic Waste Service</li> </ul>
<b>Part V - Joint Municipal Waste Management Strategy</b>	
Main provisions	<ul style="list-style-type: none"> <li>▪ Waste Strategy</li> </ul>
<b>Part VI - Indemnities and Remedies</b>	
Main provisions	<ul style="list-style-type: none"> <li>▪ Indemnity</li> <li>▪ Conduct of claims</li> <li>▪ Several liability</li> </ul>
<b>Part VII - Dispute resolution</b>	
Main provisions	<ul style="list-style-type: none"> <li>▪ Dispute resolution</li> </ul>
<b>Part VIII - Termination</b>	
Main provisions	<ul style="list-style-type: none"> <li>▪ Termination for WDA default</li> <li>▪ Termination for WCA default</li> <li>▪ Voluntary termination</li> <li>▪ Consequences of termination</li> </ul>
<b>Part IX - General</b>	
Main provisions	<ul style="list-style-type: none"> <li>▪ Invoicing and payment</li> <li>▪ Intellectual, property / ownership of documents</li> <li>▪ Ownership of waste and duty of care</li> <li>▪ Force majeure</li> <li>▪ Data protection</li> <li>▪ Confidentiality</li> </ul>

	<ul style="list-style-type: none"> <li>▪ Freedom of Information Act and Environmental Information Regulations</li> <li>▪ Public relations and publicity</li> <li>▪ Notices</li> <li>▪ Entire Agreement</li> <li>▪ Agency</li> <li>▪ Assignment</li> <li>▪ Waiver</li> <li>▪ Severability</li> <li>▪ Rights of third parties</li> <li>▪ Law and jurisdiction</li> <li>▪ Counterparts</li> </ul>
<b>Schedule 1 Joint Municipal Waste Management Strategy</b>	
<b>Schedule 2 Waste Disposal Authority's responsibilities and commitments</b>	
<b>Schedule 3 Waste Collection Authorities' responsibilities and commitments</b>	
<b>Schedule 4 Key waste delivery parameters</b>	
<b>Schedule 5 IAA officer working group constitution</b>	
<b>Schedule 6 Payment an costs schedule</b>	
Main provisions relate to: Part 1 General Part 2 PPP Part 3 Organic waste service Part 4 Waste Collection Authority specific arrangements Part 5 Indexation	
<b>Schedule 7 Contamination</b>	
<b>Schedule 8 Service Delivery Plans</b>	
Part 1 Waste Collection Authority baselines Part 2 Service Delivery Plans	
<b>Schedule 9 Delivery points</b>	
<b>Schedule 10 Delivery addresses for notices</b>	
<b>Schedule 11 Inter-Authority Agreement commencement dates</b>	

## KEY ELEMENTS OF THE INTER-AUTHORITY AGREEMENT

### The Initial Review

Once the preferred bidder has been selected and the preferred waste technology solution determined, but prior to Financial Close, the Parties shall carry out an Initial Review of:-

- Tonnages
- Waste composition
- Contamination protocol
- Location of delivery points
- Mileage payments

## **The Annual Review**

The Parties shall meet annually to review the operation of this IAA, the WCA Baseline and the Service Delivery Plans together with the impact on this IAA of any changes to the Key Waste Delivery Parameters.

The Annual Review date shall be on or about the anniversary of Financial Close, and Elected Members will be invited to attend.

Where possible, the Annual Review shall be programmed to suit each Party's political cycle and shall be brought forward or postponed by a reasonable time to allow for elections and for any new members.

## **Break Clause**

There is an opportunity to break the Private Finance Initiative (PFI) aspect of the IAA at the point when the PFI/PPP (Public/Private Partnership) procurement closes, which is currently anticipated to be around 2012. That is the time when WCAs will have a better indication of the potential costs of penalties for breach of the Agreement, as these can't be identified now. This ability to break excludes the organics element, as these treatment facilities are to be offered sooner. However, in exercising the Break Clause, the WCA may lose ongoing revenue funding and, if already committed to service changes e.g. the new waste contract, the WCA would then have to provide that funding itself. The WCA will not lose the funding if the PFI/PPP is 'off market', otherwise it is reviewed (not necessarily terminated).

## **Organic Waste Break Clause**

WDA and WCA shall meet & discuss the implications in accordance with the procedure for Ad Hoc Reviews.

Where the WDA and WCA (both acting reasonably) are unable to agree any changes to the Organic Waste Service, either Party may give notice to terminate this part of the IAA.

Compost credits currently being paid to BDC will continue to be paid during 2009/10 & 2010/2011 however this will stop if BDC use a procured ECC facility for food and garden waste in 2011/2012.

## **Service Delivery Plan**

Each WCA has agreed a Service Delivery Plan with the WDA.

WCA shall receive the specific capital and revenue funding as detailed in part 2 of Schedule 6 (WCA Specific Payments and Costs).

In the event of changes to or failure to deliver Service Delivery Plan by WCA, the WCA will need to notify the WDA of changes under a rectification plan.

## **RISK MANAGEMENT**

The IAA seeks to establish a long term commitment to an integrated waste management strategy and is broadly balanced in terms of risk. A summary of the main risks and allocation of responsibilities between the Council and the County Council is shown below.

Description of Risk or Circumstance		Probability/Potential Impact	Who bears the risk?		
			ECC	BDC	Shared
1.	Failure to comply with the SDP or for changing it without WDA agreement.	<p><b>Low probability/high impact.</b> Review and possible withdrawal of funding. <b>Mitigation:</b> WCA to ensure services continue including into new contracts throughout life of IAA. Communicate with partnership.</p>	<p>✓ (impact on PPP/PFI/organic waste contractor and disposal costs generally)</p>	<p>✓ (to extent of funding)</p>	
2.	For failure to comply with baseline or for changing it without WDA agreement.	<p><b>Low probability/high impact</b> Review and possible withdrawal of funding. Indemnity for breaches of Minimum Tonnages in the PPP or Organic Waste contracts (i.e. the tonnages that make the facility viable) (not tonnages generally). Indemnity for changes in composition (putting PPP Contractor in no better no worse position). Could be vast sums of money, but only relevant if baseline breached or changed and only to extent that the particular WCA caused the problem. <b>Mitigation:</b> WCA to ensure services continue including into new contracts throughout life of IAA. Communicate with partnership.</p>		<p>✓</p>	
3.	Volume of dry recyclable materials, organics or residual wastes collected by WCAs varies from that stated in the Authority's Service Delivery Plan (SDP) e.g. due to changes in public behaviour, seasonal variations etc.	<p><b>High probability.</b> Impact - for WDA to assess. WDA costs increase due to exceeding contracted treatment capacity.</p>	<p>✓</p>		

Description of Risk or Circumstance		Probability/Potential Impact	Who bears the risk?		
			ECC	BDC	Shared
4.	Composition of waste, recyclables or organics change during the IAA period for reasons other than the WCA varying its service provision outside the change protocol e.g. less packaging waste is produced or different materials are used.	<p><b>Medium probability</b> - will depend partly on participation.</p> <p>Impact for WDA to assess. WDA costs increase due to breach of contract terms.</p>	✓		
5.	Contamination - feedstock to waste treatment facilities falls outside of the acceptable range as agreed under the Contamination Protocol for the facility concerned.	<p><b>High probability.</b> Impact won't be known until PFI/PPP procurement - break clause at that point, but BDC could lose funding. WCA responsible for picking up additional costs of waste processing and costs arising from any damage caused.</p> <p><b>Mitigation:</b> Contamination Protocol yet to be agreed. WCA to publicise correct materials / containers (proactive) and write to contaminators (after the event) plus education/ enforcement.</p> <p>The Contamination Protocol is more about one-off loads than composition generally which is an ECC risk.</p>		✓	
6.	Recycling Markets - deteriorate to a point where WCA cannot sustain a particular recycling service and pass the material to ECC for marketing or disposal.	<p><b>Low probability short term</b> / to be assessed longer term. <b>Medium impact.</b> WDA costs increase due to inheriting marketing or disposal costs. WCA loses Recycling Credit income in this situation. <b>Mitigation:</b> BDC has a 5-yr contract with recycling processors that guarantees acceptance of our waste.</p>			✓

Description of Risk or Circumstance		Probability/Potential Impact	Who bears the risk?		
			ECC	BDC	Shared
7.	Change of vehicles and equipment needed during life of IAA.	<p><b>High probability (certain). High impact.</b></p> <p>WDA may review funding if additional capital is required, but does not guarantee to fund. If it does not, WDA cannot deny a change to the baselines or SDPs. No compensation is payable.</p>		✓	✓
8.	WDA failure to provide delivery points.	<p><b>Probability - for WDA to assess. Impact - is on WDA.</b></p> <p>WDA pays WCA Tipping Away payments &gt;5 miles beyond boundary 1 way. WDA passes through deductions if any available in PPP to WCA.</p>	✓		

## CONCLUSION

The IAA is broadly balanced in terms risks and is intended to establish a long term commitment to an integrated waste management strategy for Essex. It is considered that the potential benefits to Braintree far outweigh the risks.

Choices about the type and nature of collection arrangements, including the method and frequency, remain the sole responsibility and at the discretion of each WCA. The Agreement does not limit in any way or fetter the decisions that can be made by Braintree District Council.

The consequences of not agreeing to enter into this Agreement are that Braintree would lack influence over future waste management planning and would not qualify for external investment to support improvements to collection systems (food waste). This is likely to have an adverse impact on our ability to meet recycling targets and divert more waste from landfill.

The main obligation upon WCAs is to deliver the services as set out in their SDPs. Deviation from the SDP without prior agreement (or outside the established review process) could result in the withdrawal of funding from ECC for food waste collections. However, this is countered by the prospect of funding to support new recycling and composting services valued at over £30m over the next 25 years.

<b>Financial:</b>	<p>In developing the Joint Municipal Waste Management Strategy, Essex County Council recognized the need for more investment in 'front-end' recycling and composting services to minimize, where possible, the need for treatment and disposal later in the waste management cycle</p> <p>The funding being offered by Essex County Council to support the delivery of the SDP includes capital of £472,000 and ongoing revenue support of £600,000 (the latter for the full term of the Joint Municipal Waste Management Strategy). This investment is over and above the statutory recycling credits we normally receive.</p> <p>With the funding allocated, it is proposed to introduce a weekly food waste collection service in the urban areas (3 towns - approx. 40,000 properties) from 2011/12 onwards, whilst maintaining an alternate weekly collection in rural areas.</p> <p>This funding is conditional upon support for the Joint Municipal Waste Management Strategy and compliance with the terms of the Inter Authority Agreement.</p> <p>The SDP can be delivered through existing revenue funding and the contribution of capital and revenue from ECC through the IAA.</p>			
<b>Legal:</b>	As outlined within the report.			
<b>Equalities &amp; Diversity:</b>	None arising directly from this report.			
<b>Key Decision:</b>	Yes			
<b>Public/Private Report:</b>	Public			
<b>Environment &amp; Climate Change:</b>	The waste minimization and recycling proposals within the SDP/IAA support the Council's environment and climate change objectives.			
<b>Consultation/Community Engagement:</b>	Local Committees	N/A	Partners	N/A
	Public	N/A	Staff	N/A
	<p>The development of the proposed IAA is largely a technical matter, taking place in the context of the Joint Municipal Waste Management Strategy for Essex, which has received considerable public attention and has been subject to extensive consultation in its own right.</p> <p>The County's various Waste Management Committees and supporting officer structures, have been used as a consultative forum during the development of the IAA, sometimes meeting jointly to try to achieve a full consensus on the proposed provisions to be included in the Agreement. Negotiations have resulted in the content of the Agreement being radically different to that first presented for consideration.</p>			
<b>Customer Impact:</b>	Improved customer satisfaction with waste recycling service.			
<b>Officer Contact:</b>	Luke Henry			
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## Essex Inter Authority Agreement Summary Report by Sharpe Pritchard

### What is it?

A binding contract between the WCAs and WDAs in place for approximately 25 years (and extendable thereafter by agreement).

### Why is it necessary?

Augments the statutory position which is otherwise vague. Law divides collection and disposal and works well when services are flexible and ad hoc. Statutory position is possibly insufficiently robust to deal with long term arrangements and especially to secure financing in current economic climate.

Confirms and crystallizes agreements reached between the WDA and WCA regarding funding, recycling credits and tipping away payments.

Establishes an agreed position to provide a platform for the PPP/PFI. Leaving aside the needs of funders and bidders, it does not serve Council tax payers well to invest in a facility without certainty over its scope.

The IAA stands instead of any other Environmental Protection Act or Waste Emissions Trading Act “direction”

### What commitments are given by the Parties?

<b>Both</b>	<ul style="list-style-type: none"> <li>▪ To work together in good faith and acting reasonably</li> <li>▪ To provide information to each other</li> <li>▪ To agree and subscribe to the Joint Municipal Waste Management Strategy</li> <li>▪ To identify issues and problems early</li> <li>▪ To work to achieve joint targets as far as is possible</li> </ul>
<b>WCAs</b>	<ul style="list-style-type: none"> <li>▪ To provide specific reports</li> <li>▪ To comply with Service Delivery Plans</li> <li>▪ To comply with baselines (incorporated within SDPs)</li> <li>▪ To agree and thereafter to comply with contamination protocol</li> <li>▪ Not to change commercial waste strategies without reviewing position with WDA (also sets commercial waste customer disposal charges)</li> <li>▪ To deliver waste to the relevant delivery points</li> <li>▪ To use reasonable endeavours to secure a market for recyclable material before delivering it to the WDA</li> </ul>
<b>WDAs</b>	<ul style="list-style-type: none"> <li>▪ To procure the PPP in accordance with market practice and to keep WCAs informed of the position</li> <li>▪ To pay Funding, Tipping Away, Mileage Payments Recycling Credits and Avoided Costs</li> <li>▪ To accept Organic and Residual waste at appropriate Delivery Points</li> <li>▪ To bear risk in relation to composition and tonnage fluctuations provided WCA comply with Baselines (sharing that risk with the PPP contractor as far as is possible)</li> <li>▪ To enforce maximum vehicle waiting times and pass back to WCAs any deductions</li> <li>▪ To agree contamination protocol</li> <li>▪ To use reasonable endeavours to fund a market for recyclable materials if delivered by WCA</li> </ul>

## Remedies

<p><b>WCAs</b></p>	<p>For failure to comply with the SDPs or for changing them without WDA agreement: Review and possible withdrawal of funding</p> <p>For failure to comply with the Baselines or for changing them without WDA agreement:</p> <ul style="list-style-type: none"> <li>▪ Review and possible withdrawal of funding.</li> <li>▪ Indemnity for breaches of Minimum Tonnages in the PPP or organic waste contracts (i.e. the tonnages that make the facility viable) (not tonnages generally)</li> <li>▪ Indemnity for changes in composition (putting PPP Contractor in no better no worse)</li> </ul> <p>For delivering contaminated waste</p> <ul style="list-style-type: none"> <li>▪ Indemnify additional costs of disposal</li> </ul> <p>For failing to roll out the (agreed) organic Waste Service, changing or ending it</p> <ul style="list-style-type: none"> <li>▪ Indemnity for breaches of Minimum Tonnages in the PPP (i.e. the tonnages that make the facility viable) (not tonnages generally)</li> </ul> <p>Serious breaches generally</p> <ul style="list-style-type: none"> <li>▪ Termination by WDA and thereby the withdrawal of funding. Liability for WDA breaking the organic waste contracts (now capped at 5 times funding).</li> </ul>
<p><b>WDA</b></p>	<p>For failure to provide delivery points</p> <ul style="list-style-type: none"> <li>▪ Tipping away payments</li> <li>▪ Passing through deductions if any available in PPP</li> </ul> <p>For failure to provide agreed funding</p> <ul style="list-style-type: none"> <li>▪ Interest on outstanding amounts</li> </ul> <p>Serious breaches generally</p> <ul style="list-style-type: none"> <li>▪ Termination by WCA which means WDA would lose benefit of the indemnities above. WCA can also claim the costs of dismantling the service or continuing it for 3 full financial years.</li> </ul>

### Principal WCA Benefits

- Non statutory funding (payable even if out turn costs are below the agreed funding, provided excess is spent on recycling services)
- Confirmation of amounts of statutory payments
- Contractual liability of WDA to pay interest on default
- WDA provides organic waste disposal facilities
- Possible compensation if waiting times breached
- WCA has right of action for breach of confidentiality and FOI provision
- Helps to facilitate long term waste management arrangements in Essex and better value for the Council tax payer.
- Claim available against WDA on termination

### **Principal risks to WCA**

- WCA breaches baseline (or changes it without WDA agreement: WCA becomes liable if Minimum Tonnages not achieved and, in the case of PPP contract, to put the PPP contractor in a no better/no worse situation. Could be vast sums of money, but only relevant if baseline breached or changed and only to extent that the particular WCA caused the problem.  
Payments subject to reporting and auditing: WCA must comply with these and be open in its dealings with WDA.
- WDA has right of action for breach of confidentiality and Freedom of Information provision.  
Contaminated waste is delivered: WCA liable for additional disposal costs.
- WCA cannot provide organic waste service within its budget (i.e. funding insufficient): WCA nevertheless committed.
- Claim available against WCA on termination.

**Basically, the main risk to WCAS is breaching the baseline or delivering contaminated waste. If you comply with the baseline (including rolling out the agreed organic waste services) the risks are fairly limited, but the benefits remain.**

### **QUESTIONS AND ANSWERS**

#### **Are WCAs liable for tonnages?**

If you comply with your Baseline, no: even if the waste in fact goes below the Minimum Tonnage. The WDA is taking this risk. If you do breach your Baseline then you are liable for tonnages but only if they go below the Minimum Tonnage.

#### **What is the Minimum Tonnage?**

This is County wide (so it is the combination of all WCAs not a specific WCA). Breach by one WCA of the Baseline may not therefore breach the Minimum Tonnage and no liability would arise unless the combined effect took the waste below the Minimum). In relation to the PPP, the Minimum Tonnage would be settled in the procurement (hence the break clause). In relation to Organic Waste Minimum Tonnages are no more than 70% of the combined WCA forecasts.

#### **Are we WCAs liable to each other?**

No

#### **What if more than one WCA breaches or changes their Baseline?**

You are only liable to the extent of your own breach (so liability is shared fairly). Of course, there is a cumulative effect and a change you do at one stage may, later, impact with other changes to accrue a liability. At the time a WCA seeks to change or breach its Baseline, the WDA has to tell you of the potential future effect so that you can consider contingent liability in reaching a decision as to whether to implement the change.

**When can we assess the impact of the PPP indemnity when we don't yet know the terms of the PPP or PFI?**

WCAs can only assess these things when the PPP/PFI has been procured. That is why there is a review of the PPP and the IAA before the PPP/PFI is let whereat the WCAs (or any of them) may terminate in whole or in part.

If they do so but the PPP/PFI reflected a standard market position, the WDA may review funding. Otherwise there is no remedy for the WDA if a WCA withdraws.

**Does the break clause sever the whole contract?**

No. The break clause only applies to the PPP part of the IAA (this is because the organic waste and joint working parts need to continue). This means that if the break clause is operated, the WCAs would no longer be liable to indemnify the PPP contractor for breach of the Baselines but would continue to get the funding as long as they comply with SDPs.

**Can the SDPs and Baselines be reviewed?**

Yes, at any time. The best time to do so is at an Annual Review but any party can also call for an ad hoc review. Ideally the WDA and WCA would agree to the change but if it is not agreed, the WCA may still implement it, but is then potentially in breach of the SDPs and/or Baseline.

The Baseline can, in addition, be reviewed at any time before the PPP contract reaches financial close (i.e. before the break clause) and in that circumstance the WDA must try to take the changes into account in the PPP so that there is no consequence to the WCA.

**Is WCA liability capped?**

Yes. For breach of the SDP, liability to the WDA is capped at review or withdrawal of funding.

For breach of the Baseline there is no cap except you are not liable for tonnage changes above the Minimum Tonnage. For other effects, WCAs are liable to put the PPP contractor in a no better/no worse position. We cannot quantify this until the PPP is procured: hence the break clause.

For breaches of the Baseline putting the Organic Waste contractors below Minimum Tonnages this is capped at 120% for the gate fee. If a breach of the Baselines results in the WDA having to terminate the organic waste arrangements, liability is now capped at 5 times the revenue funding.

**Do we get anything from the WDA or PPP Contractor if a change in the Baselines puts the PPP contractor in a better position?**

No

**Can we choose to terminate?**

Yes at any time. The impact is that the WDA withdraws the funding and obviously you would also be potentially liable for the breach of the Baselines.

**How is the IAA Managed?**

The IAA will be managed day to day by an officer working group but this must have reference to Members and we have asked that this is made clear. In any event nothing in the IAA affects, reduces or diminishes the rights of Members to make decisions. Members invited to Annual Review.

**What if our Organic Waste service is tendered and costs more than we anticipated?**

There is an organic waste break clause specifically for this instance but in practice the WDA and WCA would discuss first whether the shortfall can be made up.

**Are payments indexed?**

Yes – the recycling credits are indexed by 3% each year. Tipping away and the funding for organic waste services are indexed by RPI for first three years and thereafter by an index to be agreed by the parties.

**Other Matters:**

If a load of recycling waste is rejected by a processor (e.g. the MRF) and the waste is disposed of as residual waste such processor, the WCA will still be paid a recycling credit but will not otherwise be reimbursed the costs of disposal this confirms current position).

The IAA sets out how charges for commercial waste are calculated

Draft  
Service Delivery Plan

2009/10 – 2014/15

**Braintree District  
Council**

**SERVICE DELIVERY PLAN**  
**Braintree District Council**

The purpose of this document is twofold, it is to:

- Identify the waste & recycling services you are providing and plan to provide for the next 5 years.
- To inform the procurement process for waste facilities on the nature and quantity of waste, recycle and composting for the next 25 years.

The Service Delivery Plan is a rolling 5 year document and will be annually updated in accordance with the procedures set out in the Inter Authority Agreement.

## **C O N T E N T**

1. Introduction
2. Residual Waste
3. Recycling Services
4. Other Waste Collection Services
5. Waste Minimisation activities
6. Waste & Recycling Education Initiatives
7. Tabulated Five Year Service Delivery Plans.

## 1. INTRODUCTION

1.1 Braintree District Council is located in the north of the county of Essex. The district comprises urban towns and small rural villages and covers an area of approximately 236 sq miles. It has a population of 140,900 (mid Year Estimates 08) people housed in approximately 60,826 properties (Council Tax banded properties March 08). The main urban centres of population are Braintree, Witham and Halstead.

1.2 The District comes under the East of England Regional plan which will see a minimum of 290 homes built each year up to 2021 rising to 385 homes. This figure is being reviewed and is expected to rise. Since 2003/04 the average number of new homes built per annum is 706 although this figure is expected to be lower this year.

1.3 Historic demographic trends and waste arising for the Borough have been as follows:

Table 1: Demographic Trends & Waste Arising

	2003/04	2004/05	2005/06	2006/07	2007/08
Size of Authority [area in Hectares]	61200	61200	61200	61200	61200
Population: [number]	133700	134896	136200	137800	140900
Population Density	2.18	2.2	2.23	2.25	2.28
Number of Households:	58001	58787	59463	60208	60826
Number of Flats and Multiple Occupation households	unknown	unknown	unknown	unknown	5048
Number of Households with a garden	unknown	unknown	unknown	unknown	55551
% Household Waste Recycled & Composted	21.27%	28.41%	30.47%	35.46%	42.7%
Tonnes Household Waste Recycled & Composted	11098	15922	17243	20024	24497
% Residual Waste per Household	78.73%	71.59%	69.53%	64.54%	57.3%
Kg Residual Waste per Household	671	650	641	599	535
Tonnes MSW to Landfill	44759	43635	42625	40344	36294

## CURRENT WASTE & RECYCLING SERVICES

### 2. RESIDUAL WASTE

2.1 Braintree currently provides 74.5% (45,287) of residents with an alternate weekly waste collection service from the curtilage of their properties. All residents are provided with wheeled bins. The majority of residents (95%) are provided with a 180 litre wheeled bin for refuse. 140 litre wheeled bins and additional capacity for larger families are provided to residents on request. Residents are asked to place refuse in the wheeled bin for collection. Approx 17% of residents still receive a weekly sack collection from the curtilage of their properties. 2,012 residents are assigned assisted collections where waste operatives collect refuse from the resident's designated point of collection. In 2009 the Council will be expanding the wheeled bin scheme to a estimated 9,000 properties and the remaining properties on weekly black sacks excluding flats will go onto fortnightly black sacks with a container for storage.

2.2 Provisions are made for flats and multi-occupancy residences in the form of black sacks or larger 660/1100 litre wheeled bins which are placed at communally accessible points for collection by the refuse crews. 8.5% of residents live in this type of accommodation.

2.3 Waste services in Braintree are carried out by the Council's 'in-house' Direct Services Organisation.

Table 2: Details of waste collection contractor / DSO

<b>Service</b>	<b>Details</b>
Waste Collection Contractor/DSO	DSO
Contract start date	n/a
Contract expiry date	n/a

2.4 Household waste collections take place on the same day each week. Normal hours of waste collection and delivery to disposal / treatment are shown in Table 3.

Table 3: Normal Collection Times.

<b>Collection day</b>	<b>First delivery to disposal site &amp; last delivery to disposal site.</b>
Monday	First tip – 10 am Last tip - Between 2pm and 3pm
Tuesday	First tip – 8 am Last tip - Between 2pm and 3pm
Wednesday	First tip – 8 am Last tip - Between 2pm and 3pm
Thursday	First tip – 8 am Last tip - Between 2pm and 3pm
Friday	First tip – 8 am Last tip - Between 2pm and 3pm
Saturday	Catch up following bank holidays

2.5 Collection schedule & times after Bank Holidays

Table 4: Bank Holiday catch up arrangements

<b>Public Holiday</b>	<b>Arrangement</b>	<b>Hours of operation</b>
Good Friday	One day later than usual	7am – 3 pm
Easter Monday	One day later than usual	7am – 3 pm
May Day	One day later than usual	7am – 3 pm
Spring Bank Holiday	One day later than usual	7am – 3 pm
August Bank Holiday	One day later than usual	7am – 3 pm
Christmas Day	No collection during this week	n/a
Boxing Day	No collection during this week	n/a
New Year's Day	One day later than usual	7am – 3 pm

2.5.1 No collections between Christmas and New Year due to the need to suspend collections as there are insufficient catch up days available for alternately weekly collections. To provide an effective service we currently suspend the garden waste collection service during the week before Christmas and the week after New Year to offer residents an additional refuse collection.

2.6 Table 5: Schedule of residual waste collection vehicles

Type of RCV e.g. cage tipper, rear end compactor, roll-on-off etc.	No. of vehicles	Gross weight	Nett Payload	Average number of trips to the tip per day
<b>Active Vehicles</b>				
RCV	8	26 tonne	10	2
RCV	1	22 tonne	8	1
RCV	1	13 tonne	4	1
Cage Vehicle	1	3.5 tonne	1	2

2.7 Ten crews of driver and up to two loaders. Total number of staff 25.

### 3. RECYCLING SERVICES

3.1 100% of the households in the District are offered a fortnightly co-mingled dry recyclables collection at the kerbside. Braintree provides residents with clear sacks and residents are asked to place mixed paper, card, mixed cans and aluminium foil and plastic packaging in these sacks. Waste operatives are instructed to collect all dry recyclable material that are in sacks and that have been placed at the kerbside by residents on the council specified collection day.

Table 6: Dry Recycling Collection Details

Materials collected	Collection Frequency	Container Provided	Number of Properties
Cans, Plastic Packaging, Cardboard, paper,	Fortnightly	Clear sacks	61093

3.1.1 Table 7: Schedule of Kerbside dry recycling collection vehicles

Type of RCV e.g. cage tipper, rear end compactor, roll-on-off etc.	No. of vehicles	Gross weight	Nett Payload	Average number of trips to the tip per day
<b>Active Vehicles</b>				
RCV	6	26 tonne	10	2
Cage Vehicle	1	7.5 tonne	3	2

3.1.2 Seven crews of driver and up to two loaders. Total number of staff 19.

3.2 The Council does not operate a kerbside Garden Waste Only collection.

3.3 The Council does not operate a Kerbside Food Waste Only collection

3.4 Braintree offers residents a fortnightly kerbside collection for garden waste and uncooked kitchen waste excluding meat, fish and bone.

3.4.1 Households receive 180 litre bins in which they can place garden waste (ie leaves, grass cuttings and weeds) and meat excluded uncooked kitchen waste for collection by the operatives. Larger 240 litre and small 140 litre are also available on request. 44,297 households with a garden receive this fortnightly service. The collected material is bulked up at Cordons Farm taken to 2 ECC contracted sites in Suffolk and Cambridgeshire.

3.4.2 Table 8: Vehicles used for combined collection of food & garden waste.

Type of Vehicle	No. of vehicles	Gross Weight	Nett Payload	Average number of trips to the tip per vehicle per day.
RCV	5	26 Tonne		n/a tip at Cordons Farm where bulked before sending to ECC contractor

Table 9: Seasonal collection rates for green waste

Month	% of green waste collected	Month	% of green waste collected
January	4.5	July	12
February	4	August	10
March	5	September	10
April	10	October	9
May	11	November	6
June	15.5	December	3

3.4.3 Six crews of a driver and up to two loaders are required for this service. The total number of staff is 16.

### 3.5 Bring sites

3.5.1. Table10: Number of Bring sites & types of material that can be recycled.

Number of Bring Sites	Material collected
136	Colour sorted glass, mixed cans, plastic bottles, newspaper & magazines, textiles, tetrapak

3.5.2 Table 11: Schedule of Bring Site collection vehicles

Type of Vehicle	No. of vehicles	Gross Weight	Nett Payload	Average number of trips to the tip per vehicle per day.
3 x Compartment Vehicles HGV	2	24.5	9 tonnes	n/a tip at Lakes Road where bulked before sending to OI Manufacturing or Nordic MRF contractor

3.5.3 Three staff are used to service the bring side driver + 1 for the large glass containers and driver only for the small containers.

3.5.4 The majority of these sites are for coloured sorted glass, however there are 9 large sites which have cans and plastic. Paper bins are provided at these sites by Aylesford Newsprint and Textiles by L M Barry and the Salvation Army.

## 4. OTHER WASTE COLLECTION MECHANISMS

4.1. The Council does not operate any Recycling Centres for Household Waste however there are 2 sites provided by Essex County Council:

Perry Road, Witham  
Braintree Road, Shalford

4.1.1 Braintree offers a chargeable bulky waste collection service to assist residents who are unable to take large items of household waste to the RCHW. Up to six items of household waste can be collected for a standard charge of £23.50. To organise a bulky waste collection residents are asked to contact Customer Services to arrange an appointment. Residents in receipt of means tested benefit get a 50%

discount and are only charged £11.75. A 26 tonne RCV is used for the bulky waste collection service and a 7.5 tonne box vehicle with tail lift is used to collect waste electrical good. There is a dedicated bulky waste collection crew for 3 days per week comprising one driver and one loader.

4.1.2 Braintree offers a separate collection of fridges and freezers from residents. Residents are charged £23.50 per item.

4.1.3 Flytips, street sweepings, tyres and dog bin waste are bulked up at Cordons Farm. Any recyclate is removed from flytips ie metal, wood, hardcore & soil and Tyres. Tyres are disposed of by ECC contractor. Any non recyclable material is placed in skips and sent to ECC contracted landfill.

Table 12: All other waste material collected by WCA

Collection Description of items	Charge Levied £	How many items	Number of collections 08/09	Dedicated vehicle or refuse, give details.
Bulky Waste	£23.50	6	1858	Dedicated RCV
Weee (not fridges)	Included in above	6	1086	Dedicated 7.5 tonne Box Vehicle
Fridges	£23.50	1		

#### 4.2 Commercial/Industrial and other Non Household Waste

- Commercial waste is collected on dedicated routes however some commercial waste is collected on route ie pub/shop waste in rural villages.
- In 2008/09 we estimate that 3300 tonnes of commercial waste will be picked up.

### 5. WASTE MINIMISATION INITIATIVES

5.1 Braintree promotes the following annual programmes with road shows and articles and council literature:

- Real Nappy Week
- Composting Week – promote Essex County Council programme with WRAP for the sale of subsidised home composters
- During 2007/08 the Council held 31 recycling road shows and events, 30 recycling education talks and 19 street scene events and road shows.

### 6. WASTE EDUCATION INITIATIVES

6.1 We will be carrying out an education and publicity campaign over the coming months to discourage residents from producing side waste. Residents who have bin capacity problems will be encouraged to contact us for advice and larger bins will be provided where a need is justified. Our continuing priority is to reduce waste to landfill and so the emphasis will be on recycling and eliminating side waste.

6.2 The Council will continue to provide general and recycling educational and awareness events including newsletters, leaflets, calendars, vehicles signage and roadshows utilising the recycling trailer where appropriate. Educational visits to schools will also be provided on request.

## 7. FUTURE PLANNED DELIVERY OF WASTE & RECYCLING SERVICES

7.1 Braintree District Council is working with the County Council to increase recycling and composting in order to achieve the targets and aspirations in Joint Municipal Waste Management Strategy.

7.2 The purpose of the table below is to indicate what tonnage of waste, recyclate, compost and all other waste types collected and where it is going for the next 5 years. Bulky Waste and Street Sweepings, litter and dog bin waste is included in Household waste as it is not available separate.

7.3 Table 13: Total tonnage waste arising anticipated for 5 years.

It is agreed that the tonnage information set out below is not a commitment to achieve that tonnage & any deviation from such tonnage shall not entitle ECC to review the funding under this IAA.

Parameter	2009/10 tonnage	2010/11 tonnage	2011/12 tonnage	2012/13 tonnage (funded)	2013/14 tonnage
Population	145137	146588	148054	149535	151030
Number of Households	61264	61552	61860	62481	63108
Household waste	28448	26299	24037	24895	25248
Trade Waste	3500	3500	3500	3500	3500
<b>Sub-Total Mixed Waste</b>	31948	29799	27537	28395	28748
Paper	8929	8954	9045	9144	9244
Mixed paper & cardboard	1397	1649	1862	1377	1392
Tetra Pac	4	4	4	4	4
Glass	3320	3350	3370	3400	3420
Textiles	100	100	100	100	100
Mixed cans, foil & Aerosols	1152	1123	1126	1126	1139
Mixed Plastics	1777	2088	2109	1753	1772
Tyres	55	55	55	55	55
WEEE [Fridges]	54	54	55	55	55
WEEE [Other]	15	15	15	15	15
<b>Sub-Total Dry Recyclables</b>	16803	17392	17741	17029	17196
Garden waste	0	0	9000	9150	9263
Garden waste + MICW	11500	12500	0	0	0
Kitchen / Food waste	0	0	6500	6600	6700
<b>Sub-Total Organics</b>	11500	12500	15500	15750	15963
<b>Total Arisings</b>	56751	56191	57278	57674	58407
<b>Recycling/Reuse/Composting rate (%)</b>	<b>50%</b>	<b>53%</b>	<b>58%</b>	<b>57%</b>	<b>57%</b>

NI192					
<b>Residual Household Waste / HH (Kg) NI191</b>	<b>407</b>	<b>370</b>	<b>332</b>	<b>342</b>	<b>345</b>

**Table 14: Details of Future Waste Services 2009/10 to 2013/14  
(Baseline plan)**

	2009/10 April – Sept 09	2009/10 Oct – Mar 10	2010/11	2011/12	2012/13	2013/14 & ongoing
<b>RESIDUAL WASTE</b>						
Container Type	180L wheeled bin	180L wheeled bin	180L wheeled bin	180L wheeled bin	180L wheeled bin	180L wheeled bin
Number of (approx) properties served	45,287	54,558	54,711	54,865	55,176	55,490
% of total props	74%	89%	89%	89%	88%	88%
Frequency of collection	Fortnightly	Fortnightly	Fortnightly	Fortnightly	Fortnightly	Fortnightly
Container Type	Black Sack	Black Sack	Black Sack	Black Sack	Black Sack	Black Sack
Number of (approx) properties served	10,911	1,640	1,640	1,640	1,640	1,640
% of total props	18%	3%	3%	3%	3%	3%
Frequency of collection	Weekly	Fortnightly	Fortnightly	Fortnightly	Fortnightly	Fortnightly
Container Type (for flats)	Bulk Bin/ Collection Point	Bulk Bin/ Collection Point	Bulk Bin/ Collection Point	Bulk Bin/ Collection Point	Bulk Bin/ Collection Point	Bulk Bin/ Collection Point
Number of (approx) properties served	5,048	5,048	5,201	5,355	5,665	5,978
% of total props	8%	8%	8%	9%	9%	9%
Frequency of collection	Weekly	Fortnightly	Fortnightly	Fortnightly	Fortnightly	Fortnightly

<b>FOOD &amp; GARDEN</b>	Uncooked kitchen waste & green garden waste					
Container type	180L wheeled bin	180L wheeled bin	180L wheeled bin			
Number of (approx) properties served	44,297	53,467	53,617			
% of total props	72%	87%	87%			
Frequency of collection	Fortnightly	Fortnightly	Fortnightly			
Number of Months per year	9	9	9			
Material to be delivered to . . .	ECC Facility	ECC Facility	ECC Facility			
Promotional activity	Newsletter to all residents x 2, Calendar x 1, Till Receipt Campaign + Roadshows, Bin stickers	Newsletter to all residents x 2, Calendar x 1, Till Receipt Campaign + Roadshows. Bin stickers	Newsletter to all residents x 2, Calendar x 1, Till Receipt Campaign + Roadshows Bin stickers			

<b>GARDEN WASTE ONLY</b>						
Container type				180L wheeled bin	180L wheeled bin	180L wheeled bin
Number of (approx) properties served				53768	54072	54378
% of total props				87%	86%	86%
Frequency of				Fortnightly	Fortnightly	Fortnightly

<b>collection</b>						
<b>Number of Months per year</b>				9	9	9
<b>Material to be delivered to . . .</b>				ECC Facility	ECC Facility	ECC Facility
<b>Promotional activity</b>				Newsletter to all residents x 2, Calendar x 1, Roadshows. Bin stickers	Newsletter to all residents x 2, Calendar x 1, Roadshows, Bin stickers	Newsletter to all residents x 2, Calendar x 1, Roadshows, Bin stickers
	<b>2009/10 April – Sept 09</b>	<b>2009/10 Oct – Mar 10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14 &amp; ongoing</b>
<b>KITCHEN WASTE ONLY</b>				Uncooked & Cooked kitchen waste		
<b>Container type</b>				Kitchen caddy & external caddy.	Kitchen caddy & external caddy.	Kitchen caddy & external caddy.
<b>Number of (approx) properties served</b>				56,505	56,814	57,126
<b>% of total props</b>				91%	91%	91%
<b>Frequency of collection</b>				Weekly	Weekly	Weekly
<b>Material to be delivered to . . .</b>				ECC Facility	ECC Facility	ECC Facility
<b>Promotional activity</b>				Calendar, Flyers, Newsletters, Information Book, Bin Hangers, Roadshows	Calendar, Newsletters, Roadshows	Calendar, Newsletters, Roadshows

<b>DRY RECYCLING</b>	Mixed recycle inc cans, plastic packaging, paper and cardboard					
<b>Container type</b>	Clear Sacks	Clear Sacks	Clear Sacks	Clear Sacks	Clear Sacks	Clear Sacks
<b>Number of (approx) properties served</b>	60,426	60,426	60,691	60,956	61,530	62,108
<b>% of total props</b>	99%	99%	99%	99%	99%	99%
<b>Frequency of collection</b>	Fortnightly	Fortnightly	Fortnightly	Fortnightly	Fortnightly	Fortnightly
<b>Material to be delivered to . . .</b>	Nordic MRF	Nordic MRF	Nordic MRF	Nordic MRF	Nordic MRF	Nordic MRF
<b>Promotional activity</b>	Newsletter to all residents x 2, Calendar x 1, Roadshows	Newsletter to all residents x 2, Calendar x 1, Roadshows	Newsletter to all residents x 2, Calendar x 1, Roadshows	Newsletter to all residents x 2, Calendar x 1, Roadshows	Newsletter to all residents x 2, Calendar x 1, Roadshows	Newsletter to all residents x 2, Calendar x 1, Roadshows
<b>Container type</b>	360 or 1100L bins	360 or 1100L bins	360 or 1100L bins	360 or 1100L bins	360 or 1100L bins	360 or 1100L bins
<b>Number of (approx) properties served</b>	820	820	861	904	949	996
<b>% of total props</b>	1%	1%	1%	1%	2%	2%
<b>Frequency of collection</b>	As required	As required	As required	As required	As required	As required
<b>Material to be delivered to . . .</b>	Nordic MRF	Nordic MRF	Nordic MRF	Nordic MRF	Nordic MRF	Nordic MRF
<b>Promotional activity</b>	Newsletter to all residents x 2, Roadshows	Newsletter to all residents x 2, Roadshows	Newsletter to all residents x 2, Roadshows	Newsletter to all residents x 2, Roadshows	Newsletter to all residents x 2, Roadshows	Newsletter to all residents x 2, Roadshows
<b>Promotional activity</b>						

<b>BRING BANK SITES</b>	Glass, Cans, Paper, Plastic Bottles, Textiles & Shoes					
<b>Container type</b>	Modular Banks & Euro Bins	Modular Banks & Euro Bins	Modular Banks & Euro Bins	Modular Banks & Euro Bins	Modular Banks & Euro Bins	Modular Banks & Euro Bins
<b>Number of sites</b>	136	136	136	136	136	136

<b>Material to be delivered to . . .</b>	Various	Various	Various	Various	Various	Various
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	<b>2009/10 April – Sept 09</b>	<b>2009/10 Oct – Mar 10</b>	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14 &amp; ongoing</b>
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<b>BULKY WASTE</b>	Up to 6 items collected for £23.50					
<b>Material to be delivered to . . .</b>	ECC Facility & Reuse	ECC Facility & Reuse	ECC Facility & Reuse	ECC Facility & Reuse	ECC Facility & Reuse	ECC Facility & Reuse

<b>OTHER WASTE COLLECTION?</b>	Included in above but collected separately. (Fridges £23.50 per item)					
<i>Eg WEEE</i>						
<b>Material to be delivered to . . .</b>	ECC Facility	ECC Facility	ECC Facility	ECC Facility	ECC Facility	ECC Facility

<b>COMMERCIAL WASTE COLLECTION</b>	Approximately 1350 SME's					
<b>Collected with hh waste or separately</b>	Collected with HHW	Collected with HHW	Collected with HHW	Collected with HHW	Collected with HHW	Collected with HHW