

Meeting:	Cabinet member contracts and assets
Decision date:	Thursday, 25 October 2018
Title of report:	Variations to the waste management services contract
Report by:	Waste disposal team leader

Classification

Open

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose and summary

Authorisation is sought to explore options, with our partners Worcestershire County Council, to extend or conclude the joint Waste Management Services Contract and to assess if such options could provide value for money to the councils.

In parallel to exploring options to extend the contract, authorisation is sought to assess alternative options for provision of the services when the contract ends. It is important that this work is undertaken alongside assessment of an extension option to allow the council to assess the respective merits of all the options to inform any decision.

Any proposals for extending the contract identified and assessed against the alternatives will be subject of a further report, and determined as appropriate. It is expected that the council will have proposals and an assessment in early 2019, for determination in March 2019.

If the option to extend the contract proves unfavourable, the council will progress identifying alternatives for providing the waste disposal service on expiry of the contract.

In addition to considering future options a number of changes to the contract in its existing term are being considered. These changes seek to maximise savings/revenue for the council, reduce risk, minimise environmental impact and comply with legal requirements, they are:

- I. Consider the option of expanding the capacity of the energy from waste facility in order to generate additional revenue for the councils.
- II. To implement a variation to the contract to amend the annual price adjustment mechanism in order to reduce the risk of an unforeseeable price change caused by future revisions of the Gross Domestic Product (GDP) deflator.
- III. To implement a variation to the contract to reflect a change to the method of treatment of residues, Incinerator Bottom Ash (IBA) and Air Pollution Control Residues (APCr), from the energy from waste facility. Residues are being recycled instead of landfilled as specified in the contract at a reduced cost. A variation to the contract is required to reflect the change in treatment and amend the payment mechanism to reflect the reduced costs.
- IV. To implement a variation to the contract to comply with the legal requirements of the Environmental Permitting (England and Wales) Regulations. The regulations require Materials Facility (MF) operators to sample materials sent for recycling to measure and report on the quality of materials processed.

Recommendation(s)

That:

- (a) The Acting Director for Economy and Place be authorised to explore future options for provision of the council's waste disposal services at the end of the current joint contract with Worcestershire County Council.**
- (b) The Acting Director for Economy and Place be authorised to explore options with our partners, WCC, to expand the capacity of the Energy from Waste (EfW) facility, allocating £15,000 towards preparing for the change;**
- (c) The Acting Director for Economy and Place be authorised to agree and implement a variation to the Waste Management Service Contract (WMSC) to amend the annual contract price review mechanism to remove risk of future revision of GDP deflator;**
- (d) The Acting Director for Economy and Place be authorised to agree and implement a variation to the WMSC to reflect a change in treatment of residues from the EfW facility;**
- (e) The Acting Director for Economy and Place be authorised to agree and implement a variation to the WMSC in order to meet the requirements of the Environmental Permitting (England and Wales) Regulations, to sample mixed recycling accepted by Materials Facilities.**

Alternative options

1. The cabinet member could decide not to consider options for extending the WMSC at this time. This is not recommended, considering and assessing options to extend the WMSC will provide the council with a better understanding of its merits and implications and inform decision making in a timely manner.
2. The cabinet member could decide not to identify and assess options for providing the services on expiry of the existing services. This is not recommended, without considering the councils' options and assessing the relative merits of those options the council will be unable to make an informed decision on how best to provide the services on expiry, or if an extension to the existing contract is desirable.
3. The cabinet member could decide not to consider the option of expanding the capacity of the EfW facility. This is not recommended, the EfW has the potential to process additional waste which could generate additional income from gate fees and electricity sales. The options should be considered and assessed to allow the council to make an informed decision on whether to implement this change.
4. The cabinet member could decide to make no change to the annual contract price review mechanism. This option would mean that the council would be exposed to unforeseen price changes caused from future revisions of the Gross Domestic Product (GDP) deflator which is used to calculate contract inflation. The recommended approach is to amend the mechanism to avoid the risk of any unforeseen price change.
5. The cabinet member could decide not to agree a variation to the contract to reflect the change in processing of EfW residues. This is not recommended as the change benefits the councils financially as processing of residues through recycling is less costly than the specified route of sending them to landfill.
6. The cabinet member could decide not to agree a variation to the contract to introduce material sampling and reporting measure to meet the requirements of the Environmental Permitting (England and Wales) Regulations. This is not recommended as the councils are obligated to agree a variation to the contract to meet the requirement of this change in law.

Key considerations

7. The Waste Management Services Contract (WMSC) was signed between Herefordshire and Worcestershire Councils and Mercia Waste Management Ltd (Mercia) in December 1998 for 25 years. The service commenced on 12 January 1999 after all conditions precedent were met, unless an extension to the contract is agreed the service will expire on 11 January 2024.
8. The WMSC provides the services required for both councils to meet their legal obligations as Waste Disposal Authorities, to dispose of council collected waste arising in their respective areas.
9. Services provided include provision of household recycling centres, waste transfer stations, an Energy from Waste (EfW) facility, Materials Facility (MF), composting facility, landfill site, transport and arrangements for the treatment of numerous waste streams. In total almost 400,000 tonnes of waste from the two council areas is managed under the provisions of the WMSC.

10. The WMSC is a joint service, WCC are appointed the lead authority, managing the service on behalf of Herefordshire Council (HC). A Joint Working Agreement defines the responsibilities of the two councils and how the service is to be governed.
11. The councils jointly oversee the service and consider changes to it through the Joint Review Board, who have considered the proposals set out in this report. This group consists of the directors, heads of service and finance managers with responsibility for waste management services from the respective councils, alongside the Waste Services Manager at WCC.
12. WCC and HC agreed that WCC's Director of Economy and Infrastructure should be appointed as the Superintendent Officer. Within defined parameters, the Superintendent Officer has the power to act with the full authority of both councils to make decisions and instruct the contractor.
13. Subject to written authorisation from HC the Superintendent Officer may make changes to the contract which have the effect of varying the specification of the services, increasing or reducing expenditure or income and varying the terms and conditions of the contract.
14. WCC's waste management unit manage the day to day operation of the service, monitoring the performance of the service, managing changes to the contract, and ensuring payment on agreed terms with our contractor.
15. On expiry of the WMSC, the service shall transfer to either or both the councils or successor operator.
16. The assets will transfer to either the joint ownership of the councils, the individual council in whose area the facilities are located, or are retained by the current contractor as summarised below:

Asset	Transferred to
Household Recycling Centres (6 in Herefordshire and 11 in Worcestershire)	Herefordshire Council if facility is located in Herefordshire. Worcestershire County Council if facility is located in Worcestershire
Waste Transfer Stations & Bulking Bays (Hereford, Leominster, Bromsgrove, Redditch and Kidderminster)	Herefordshire Council if facility is located in Herefordshire. Worcestershire County Council if facility is located in Worcestershire
Energy from Waste Facility (Hartlebury Trading Estate)	Joint ownership of both councils. Share as detailed in the Joint Working Agreement 75.8%:24.2% (WCC:HC)
Materials Facility (MF) (Worcester)	Joint ownership of both councils. Share as detailed in the Joint Working Agreement 75.8%:24.2% (WCC:HC)
Landfill Site, Composting Facility and Maintenance Facility (Persore, all on the same site)	Retained by Mercia Waste Management Ltd.

Table 1. Asset transfer on expiry or termination of the WMSC.

17. As the current WMSC period nears its end the councils need to determine how they wish to provide the services from January 2024.
18. The councils have a wide range of options for delivery of the service in the future.

19. In order to have a thorough understanding of all the options it is recommended that the councils undertake an options appraisal to consider the relative merits of each option to inform decision making.
20. It is further advised that Herefordshire Council consider its options independently of WCC.
21. Initial work will involve an assessment of the current service to establish the costs of providing the service in the current market so that these can be compared against proposals from our contractor for an extension to the contract. Such a comparison will allow the council to evaluate the value for money of any proposals from the contractor.
22. If a contract extension proves unfavourable to the councils further work to identify and assess alternative options will be required to inform decision on service provision when the current contract period expires.
23. Expected timescales are detailed below

Action	Completed by
Financial assessment of current service to establish current market costs	December 2018
Determine if early extension is favourable (Cabinet Decision)	January 2019
Agree extension (if favourable)	March 2019
If extension proves unfavourable:	
A further detailed options appraisal for future provision of service	December 2019
Commence commissioning work on new service	January 2020
Agree new service with new provider or providers (Cabinet Decision)	June 2023

24. Irrespective of future options there are also potential changes that would improve the cost effectiveness of the service in the current term, these are:
 - a. Expansion of EfW tonnage capacity which would help generate additional revenue from gate fees and electricity revenue from third party sales.
 - b. EfW residues recycled instead of being landfilled to improve sustainability and reduce cost.
25. This report also considers a recent change to the law, requiring that recyclables sent to MRF's are sampled to monitor quality. This is a legal requirement and as such a variation to the contract is required.
26. Finally this report considers a request from our contractor to amend the annual price review mechanism to avoid future unexpected price changes.

Contract extension or commissioning a new service

27. The contract provides an option for the councils to extend the WMSC by up to a further 5 years, to 11 January 2029. The councils are required to commence discussions about an extension with Mercia at least 5 years prior to expiry in January 2024.
28. The Joint Review Board met in July 2017 and considered it beneficial to begin exploring the councils' options to extend the WMSC with our contractor, Mercia, to determine if such an option could:

- a. Offer value for money compared to the alternative of commissioning a new service
 - b. Deliver early savings to the councils, by offering the benefit of future savings now instead of waiting until the extension period.
29. This report recommends that the Cabinet Member for Contracts and Assets authorises the Acting Director for Economy and Place to negotiate options to extend the WMSC in conjunction with our partners WCC.
30. It is recommended that work to assess options to provide a new service on expiry of the WMSC progress in parallel with negotiations to extend the contract. It is important that this work is in parallel to allow the council to assess the respective merits for all its options, and inform any decision.
31. This work will also include an individual assessment of Herefordshire Council's options to consider the respective impacts on both waste collection and waste disposal services provided by Herefordshire Council as a unitary authority.
32. To support negotiations the Cabinet Member Contracts and Assets authorises the Acting Director for Economy and Place to:
 - a. Undertake an assessment of options to extend the contract and in parallel Herefordshire Council's options for providing the service on expiry of the WMSC.
 - b. Allocate additional resources, up to the value of £100,000, to support negotiations, assessment of options and contract changes, to include additional staff.
33. A future key decision report will be brought forward to determine any option(s) to extend the WMSC or to progress alternative arrangements to provide the service on expiry.
34. If any option to extend the contract proves unfavourable to the councils at this time further more detailed work will be required to assess the councils options on expiry of the existing contract period.
35. The council may not wish to investigate and assess its future options at this time, but this is not recommended. The council will benefit from a comprehensive assessment of all its options in order to help inform decisions on how the services are to be provided in future.

Expansion of EfW capacity

36. The EfW facility was provided as part of the WMSC following a variation to the contract agreed in May 2014. The plant processes residual waste collected by the councils in Herefordshire and Worcestershire including household waste and commercial waste. Our contractor fills any capacity remaining with waste from third parties, including private waste management companies and from other local authority areas.
37. The facility is restricted to 200,000 tonnes per annum by its planning permission.
38. Since the EfW facility became operational in March 2017 its performance has exceeded expectations and the facility is able to process more than the 200,000 tonnes per annum planning limit.

39. It is advised that the councils consider increasing the tonnage capacity of the EfW facility to allow additional waste to be processed by our contractor. Any additional waste would attract revenue from both gate fees and additional electricity generation.
40. It is recommended that the Cabinet Member Contracts and Assets authorise the Acting Director for Economy and Place to:
 - a. Authorise expenditure of up to £15,000 towards HC's share of contract costs for preparatory works and planning costs.
 - b. Work with our partners WCC to negotiate a variation to the WMSC that allows the councils to benefit from the additional revenue generated from increasing the EfW facility's capacity.
41. The council may not wish to consider this change which would mean the financial benefits and other implications would not be understood. The outcome of the negotiations will inform a further key decision.

Processing of residues from the EfW facility

42. As part of the contract variation agreed in May 2014 to develop an EfW facility, routes were specified for the treatment of residues from the facility that would see both incinerator bottom ash (IBA) and air pollution control residues (APCr) landfilled.
43. However during the construction of the facility our contractor was able to find alternative treatment routes for the residues which would see them being recycled instead of sent to landfill.
44. In addition to more preferable treatment by recycling, there is also a cost benefit of treating residues by recycling instead of landfill.
45. Under the terms of the WMSC the contractor owns the waste and is entitled to determine how residues are treated. However as it represents a change to the specified disposal route the contractor is required to agree a variation to contract to reflect the operational and financial implications of the change.
46. Further to a response to a council change notice issued by WCC the implications of the change are that:
 - a. APCr is sent from the EfW facility to Carbon 8 Aggregates Ltd in Avonmouth, here it is stabilised through a reaction with carbon dioxide to produce a construction aggregate, commonly used to make breeze blocks;
 - b. IBA is sent to Hill and Moor landfill site, where it is stored and periodically processed by mobile plant provided by Rock Solid BV. IBA is sorted and graded in metals and aggregates. The metals are recycled and the aggregates can be applied to a range of construction purposes;
 - c. Processing the residues in this way is likely to result in a reduction in joint contract costs to the councils.
47. It is recommended that the Cabinet Member for Contracts and Assets authorise the Acting Director for Economy and Place to agree and implement, with our partners WCC, a variation to the contract to reflect the change in treatment of residues.

48. Progressing this change will not incur any additional expenditure to the council but is likely to result in potential savings which will have the effect of reducing our contract price.
49. Alternatively the cabinet member may decide not to reflect this change in the contract, however this is not recommended as the councils would not benefit from reduced costs.

Materials facility sampling requirements

50. The Environmental Permitting (England and Wales) Regulations requires inputs and outputs to and from a Materials Facility (MF) to be sampled and tested as a measure to improve the quality of materials processed. The regulations require an operator of a MF to:
 - a. Sample and test the materials they receive and send out;
 - b. Record the information;
 - c. Report every 3 months to the Environment Agency;
51. This is a requirement for our own MF, EnviroSort, which is operated by our contractor, Mercia. Mercia, have responded to the requirements by implementing sampling of materials at EnviroSort and at transfer stations.
52. The contractor now supplies WCC with regular reports on the quality of materials delivered by council collection services in the two counties. This information is circulated to the other councils including Herefordshire Council, so that issues with quality can be identified and measures taken to help reduce contamination.
53. The joint cost for the councils of implementing the change is approximately **£140,000** per annum and includes the cost of additional staff and equipment required to undertake the sampling, testing and reporting. Herefordshire share is approximately 25% of this amount.
54. It is recommended the Cabinet Member for Contracts and Assets authorise the Director for Economy and Place to conclude a contract variation to reflect the required change.
55. The cabinet member may decide not to authorise the change, however this is not recommended as this is a legal requirement and we are obligated to agree a variation to the contract.

Amending the annual price review mechanism

56. Agreed contract rates in the WMSC inflate each year according to the provisions within the contract or relevant contract variation. For the main contract rates, such as the baseline and supplements, annual inflation is calculated using GDP deflator.
57. The mechanism in the contract calculates annual inflation of each subsequent contract year comparing actual prices against those of the reference year, 1997.
58. Although in most years GDP deflator is calculated by comparing with the previous year, it is occasionally revised for accuracy. The revision can be historical and influence inflation from the start of the contract in 1998, it can be positive or negative.
59. Such a revision occurred in 2016 which resulted in cumulative contract inflation falling from **47.17%** in 2016/17 to **43.50%** in 2017/18.

60. Following the rebase our contractor, Mercia, requested that the councils consider a change to the mechanism to remove the risk of a future rebase to both parties. While the councils considered the request the lead authority froze inflation fixing contract rates linked to GDP deflator inflation at 2016/17 levels.
61. Advice was sought by the lead authority which was provided by KPMG, their recommendations and briefing are attached in Appendix 1.
62. It is recommended that, based on the advice of KPMG, the councils:
 - a. Apply the 2017/18 inflation change so the councils can jointly benefit from the reduction in contract rates of approximately £750,000 in the same year and approximately £190,000 in 2018/19 (Appendix 1a);
 - b. Agree to revise the mechanism from 2018/19 so that inflation is calculated by the movement in GDP deflator in quarter 4 of the previous year. For example inflation applied from 1/04/2018 would be calculated from the movement between GDP deflator in Q4 2017 and Q4 2016;
 - c. The Cabinet member Contracts and Assets authorise the director to agree the change with our partners WCC.
63. Alternatively the councils may decide to retain the existing mechanism. In this scenario the councils would still benefit from the reduction in contract rates. However this option is not recommended as there is a risk that a future revision of GDP deflator could result in an unforeseen rate increase.

Community impact

64. A thorough assessment of options in providing waste disposal services in future will consider national waste policy to ensure services meet existing requirements and are flexible enough to adapt to expected future changes.
65. A thorough assessment of options will consider how best the council can deliver waste disposal services in future to get maximum benefit from public money to secure better services, quality of life and value for money.
66. Proposed changes to the WMSC consider operational, legal and financial considerations to ensure they are required, reasonable and provide improved efficiency.

Equality duty

67. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

68. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.

Resource implications

69. Assessment of options and negotiating a possible extension to the WMSC has the following resource implications
- i. Funding is not expected to exceed current budgets and is within funding approved in the Medium Term Financial Strategy (MTFS).
 - ii. Resource of up to £75,000 has been previously authorised and allocated for use of external consultants to provide technical support.
 - iii. An additional resource of up to **£100,000** allocated to support negotiations and options appraisal to include additional staff employed directly by the council or our partners WCC, as well as external legal and financial advice.
 - iv. Any work carried out on our behalf by WCC requires written consent of the Director for Economy and Place. Any costs incurred in carrying out the work are shared with Herefordshire council in the agreed proportions as calculated in the Joint Working Agreement between the two councils (approx. 24:76, between HC and WCC respectively).
70. Negotiating options with our partners, WCC, to expand the capacity of the EfW facility, has the following resource implications
- i. Funding is not expected to exceed current budgets and is within funding approved in the Medium Term Financial Strategy (MTFS).
 - ii. Up to £15,000 allocated towards the joint HC & WCC cost of preparing for the change, to include costs of amending the planning application.
71. Agreeing a change the annual contract price review has the following resource implications
- i. Funding is not expected to exceed current budgets and is within funding approved in the Medium Term Financial Strategy (MTFS).
 - ii. Reduction in HC expenditure of approximately **£175,000** in 2017/18 and **£40,000** in 2018/19 (see Appendix 1a).
72. Agreeing a change to the WMSC to how residues from the EfW facility are treated has the following resource implications
- i. Funding is not expected to exceed current budgets and is within funding approved in the Medium Term Financial Strategy (MTFS).
 - ii. The change will not incur any additional cost to the council and is expected to result in a net reduction in expenditure which will have the effect of reducing contract price.

73. Agreeing a change to the WMSC to reflect the requirements of the Environmental Permitting (England and Wales) Regulations has the following resource implications
- i. Funding is not expected to exceed current budgets and is within funding approved in the Medium Term Financial Strategy (MTFS).
 - ii. The change will result in increased expenditure of approximately **£35,000** per annum to Herefordshire Council.

Legal implications

74. The legal implications of considering negotiating options for extending the existing waste disposal service or considering providing a new service on expiry are:
- a. The councils have an option to extend the contract by a maximum of 5 years. This is in accordance with the terms and conditions of the WMSC, the original procurement and contract notice which stipulated a maximum contract period of 30 years.
 - b. Any potential changes to the WMSC will be progressed following the change protocol in the WMSC (schedule 2, variations).
 - c. In considering alternative options for providing the service on expiry of the WMSC legal advice will be sought to ensure compliance with our legal obligations.
75. The legal implications of negotiating expansion to the capacity of the EfW facility are:
- a. Expansion of the EfW facility will require a change to the existing planning permission.
 - b. Any change to the WMSC will be progressed following the change protocol in Schedule 2, Variations of the WMSC.
76. A future report will be brought to cabinet to determine the option to extend or to conclude the WMSC, and to determine if the capacity of EfW facility is to be extended. The legal implications of those changes will be set out in that future report.
77. The legal implications of a change to the WMSC to reflect how residues for the EfW are treated are:
- a. A variation to the contract in May 2014 resulting in the development of the EfW facility specified treatment by landfill of the ash residues from the plant. Following commissioning of the plant in March 2017 our contractor, Mercia, made alternative arrangements to treat the ash residues via recycling. This is effectively a variation to the contract.
 - b. As a change in how the services are delivered as part of the WMSC the councils and the contractor follow the change protocol described in *Schedule 2, Variations*, of the WMSC. This will establish changes to the services, and the performance and cost implications.
 - c. As this change is expected to result in a saving to the councils any savings will be reflected in a variation to the contract to be agreed between the contractor and the councils.

78. The legal implications of a change to the WMSC to meet the requirements of Schedule 9 of the the Environmental Permitting (England and Wales) Regulations 2016 are:
- a. Operators of Materials Facilities (MF) to whom the regulations apply are required to sample material inputs and outputs to the facility, record and regularly report the information to the Environment Agency.
 - b. This is a change in law causing a *Variation Cost* and as such the contractor has issued a *Change in Legal Requirements Notice*.
 - c. Subsequently the change to the WMSC has been progressed following the change protocol in *Schedule 2, Variations* of the WMSC.
 - d. Subject to the Cabinet Member authorising the Director E&P to agree the change, a variation to the WMSC will be concluded between the councils and the contractor.
79. The legal implications of agreeing a change to the *Annual Contract Price Review* in the WMSC are:
- a. This is a proposed change to the annual inflation mechanism in the WMSC as detailed in *Schedule 6, Annual Contract Price Review*.
 - b. As a change to the terms and conditions of the WMSC the councils and the contractor will follow the change protocol described in *Schedule 2, Variations*, of the WMSC.
 - c. Any proposed change to the terms and conditions will be considered by the councils prior to agreeing a contract variation, with legal advice sought if required.

Risk management

80. There are various risks associated with the recommendations in this report, these are summarised below:

Contract extension or commissioning a new service	
Risk / opportunity	Mitigation
Failure to negotiate beneficial terms to the councils	Clear and effective negotiation strategy, management and governance between the two councils (WCC/HC). Negotiation to be informed by detailed costed assessments of all the options available to the council. External advisors appointed to support the process where the need is identified.
Failure to consider all options	Ensure a detailed and objective options appraisal is completed to consider how waste disposal services can be provided in future
Failure to obtain an accurate comparative	Ensure technically competent staff,

market analyses	supported by external advice to accurately assess costs of current and alternative options.
Expansion of EfW capacity	
Failure to obtain necessary consents (planning permission)	Planning application follows best practice guidance, pre planning advice is obtained where required.
Failure to negotiate beneficial terms to the councils	Variation costs and savings resulting from the change are assessed by the councils, using external advice if required to maximise financial benefit to the councils.
Processing of residues from the EfW facility	
Implications of change not accurately reflected	Variation costs and savings resulting from the change have been assessed by the councils' finance teams to ensure financial and operational implications have been accurately reflected.
Failure to agree a contract variation	If the councils and contractor cannot agree the change the councils will follow the dispute resolution processes in the WMSC to require the change.
MRF Sampling Requirements	
Implications of change not accurately reflected	Variation costs resulting from the change have been assessed by the councils' finance teams to ensure financial and operational implications have been accurately reflected.
Amending the annual price review mechanism	
Implications of change not accurately reflected	Variation costs and savings resulting from the change have been assessed by the councils' finance teams with support from an external advisor, KPMG, to ensure financial and operational implications have been accurately reflected.
Failure to agree a contract variation	The councils have the option not to amend the mechanism. In this scenario the councils will still benefit from a reduction in contract rates, but both the councils and contractor will be exposed to the risk of future revisions to the GDP deflator.

81. Risks will be monitored and managed jointly by HC and WCC through the Joint Review Board in accordance with our joint governance arrangements detailed in the Joint Working Agreement between the councils.
82. HC will monitor and manage any individual risks in accordance with its own governance requirements. Any significant risks are entered on the directorate risk register for monitoring and management by E&P directorate management teams.

Consultees

83. Feedback from political group consultation has been received as follows:
 - a. A greater emphasis should be placed on the recycling of plastics.
 - b. Ensure the use of heat as well as power generated by the Energy from Waste facility.
 - c. More reuse at household recycling centres should be encouraged to reduce treatment costs.
 - d. There should be more active waste reduction to encourage residents to reuse unwanted but useful household goods by selling swapping or donating to charities.
 - e. Third sector organisations should be supported to enable them to reuse and recycle more waste and reduce use of council services.
 - f. Option to recycle materials more locally and in the UK should be encouraged
 - g. Community litter collections should be supported by allowing access to council waste services.
 - h. Parish councils should be involved in considering future options
 - i. Third sector organisations should be encouraged to feed into future service options to inform waste reduction and reuse options.

Appendices

Appendix 1. Waste Contract Indexation Methodology Review, KPMG, June 2018

Appendix 1a. Briefing note WMSC indexation, Chief Accountant (WCC), June 2018

Background papers

None identified