

Written statement of a key decision
Cabinet

Title	Waste Management Review – Waste Disposal
Decision maker	Cabinet Information about cabinet, including the names and contact details of the cabinet members, can be found here: http://councillors.herefordshire.gov.uk/mgCommitteeDetails.aspx?ID=251
Date of decision	25 November 2021
Report exemption class	Open
Reason for being a key decision	<p>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.</p> <p>This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.</p>
A notice was served in accordance with Part 3 (Key decisions) of The Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.	
General exception or special urgency (as defined in the constitution)	No
Purpose	<p>Further to the adoption of the council's new Integrated Waste Management Strategy in July 2021 and subsequent planning for additional commissioning this report seeks to agree the council's preferred waste disposal arrangements necessary to implement the strategy.</p> <p>The council's Waste Management contracts for the collection service and the disposal service are due to expire in 2023 and 2024. The council launched a waste collection consultation with the public in December 2020 following recommendations from the waste task and finish group in September 2020 and in response to expected changes in national legislation.</p>

Decision	That: <ul style="list-style-type: none">a) Cabinet agrees that the current position within the Parameters set out in Appendix 1 represents an acceptable position for the council to progress Mercia Waste Management Limited's ("Mercia") proposals for extending the duration of the Waste Management Service Contract ("WMSC") for a period of five years until 11 January 2029 by entering into a variation of the existing WMSCb) Subject to recommendation (a), that the Section 151 Officer following consultation with the Service Director for Transport, Environment & Waste be authorised to negotiate the form of a variation to the existing WMSC with Mercia to put into effect Mercia's proposals:<ul style="list-style-type: none">1) to extend the duration of the WMSC by 5 years provided that the Variation is in compliance with the Financial, Contractual and Technical Parameters as set out in Appendix 12) to vary the WMSC to achieve the council's preferred waste collection model as determined by Cabinet in response to the accompanying Cabinet Report 'Waste Service Review - Waste Collection'3) to accelerate the reduction of municipal waste to landfill and achieve a maximum of 1% to landfill starting in 2022 at a cost of £120k per annum until the extension commences in March 2024c) Cabinet, having regard also to any further report from the Section 151 Officer on the details of the council's position as potential providers of appropriate funding for the project, to:<ul style="list-style-type: none">i. amend its Treasury Policy Strategy and associated Treasury Management Statements to reflect the extended loan arrangement in the extension period;ii. to authorise the Section 151 Officer to conclude all financial due diligence requirements remaining with the parameters stated in Appendix 1;iii. amend the Medium Term Financial plan (MTFP) assumptions to reflect the WMSC variation as appropriate;d) Cabinet authorises the expenditure of up to £75k from the council's waste reserve and delegates authority to the Service Director Highways, Environment and Waste to commission a future options paper and to develop a capital business case for future site and facilities requirements beyond the proposed extension period; ande) The Section 151 Officer be authorised to update the Joint Working Agreement between Worcestershire
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	County Council (WCC) and Herefordshire Council to reflect the extended term of the WMSC and future arrangements between WCC and the Council;
Reason for the decision	As set out in the report. Documents relating to this decision are available at http://councillors.herefordshire.gov.uk/mglIssueHistoryHome.aspx?IId=50039499
Options considered	<ol style="list-style-type: none"> 1. Do nothing - This is not an option as the current waste disposal arrangements are due to expire in January 2024. The waste disposal service is a statutory service that the council has to provide so therefore it is not an option to do nothing. 2. Re-procure new waste disposal arrangements – This is not recommended following an independent expert assessment of the council’s future waste disposal options by SLR (Appendix 2) and a second joint assessment of the proposed contract extension with variation by our waste technical advisors Woods PLC, financial advisors KPMG and legal advisors Eversheds. 3. To extend the existing contract without a variation to facilitate the council’s preferred waste collection service – This is not recommended as this will not work operationally with the future collection service. This would also fail to meet the council’s strategic objectives to increase recycling rates, reduce carbon emissions and reduce waste to landfill as set out in the council’s Integrated Waste Management Strategy and the forthcoming requirements on local authorities in the Environment Bill.
Declarations of interest (see below)	
Call-in expiry date (decisions are not subject to call-in where special urgency provisions apply)	1 December 2021

Councillor:	Date 25 November 2021
Leader of the Council (Councillor David Hitchiner)	

- a record of any conflict of interest declared by any executive member who is consulted by the member which relates to the decision;

and

- in respect of any declared conflict of interest, a note of dispensation granted.