



Democratic Services

Executive Scrutiny Committee

Wednesday, 29 March 2017

18:30

Room 2 (Civic Offices)

Eastman (Chair) Morris (Vice-Chair)
Alexander Bint Clifton Geary Miles Petchey Wales and Walker

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A G E N D A

1. Welcome and Introductions

The Chair to welcome Councillors and officer colleagues to the meeting and introduce those who are present.

2. Apologies

To receive any apologies of absence.

3. Minutes

7 - 12

To approve, and the Chair to sign as a correct record, the Minutes of the meeting of the Executive Scrutiny Committee held on 16 January 2017 (Item 3).

4. Disclosures of Interest

Councillors to declare any disclosable pecuniary interests, or personal interests (including other pecuniary interests) they may have in the business to be transacted, and officers to disclose any interests they may have in any contract to be considered.

5. Call-in of Cabinet Decision - 7 March 2017: Approval of the Draft Waste Strategy

13 - 26

The Chair to outline the procedure to be adopted for the meeting.

On 7 March 2017, the Cabinet made the following decision in respect of the Draft Waste Strategy:

“1. That the Waste Strategy be approved, subject to:

(a) implementing garden waste charging from September 2017 at an annual price of £33 per bin, with a delegated authority given to the Cabinet Member to Public Realm to establish a discount scheme for people in receipt of benefits;

(b) not implementing the Waste Strategy until the MK Waste Recovery Park is in full operation;

(c) a full implementation and communications plan for the Strategy be developed by the Service Director for Public Realm in consultation with the Cabinet Member for Public Realm; and

(d) the new Strategy be reviewed after not less than 12 months from this decision for its effectiveness, performance against projections, and specifically the impact on the MK Waste Recovery Park.

2. That resource allocation and spend approval of £0.4m be approved as an addition to the Capital programme 2017 /18.”

The Cabinet’s decision has been called in by:

(a) Councillors Bald and McLean for the following reasons:

“We do not believe, from the evidence available in the papers and elsewhere, that the actions and changes proposed in the Strategy will meet the stated aim ‘To deliver a high quality waste service that provides value for money and costs substantially less than it did in 2016’.

We note that 2016 waste costs may include exceptional charges arising from the delay to the Waste Park and expect these will be adjusted out when comparing costs of the proposed strategy with 2016 costs.

We cite the following major concerns:

1. The impact of the new waste strategy fails to adequately consider how changing the behaviour of 104k households will be managed; what the various reactions could be and how they will be addressed, including the impact on costs and on the environment.
2. The changes, despite their impact, were not included in the very recent budget consultation nor were they exposed to the cross party Task and Finish Group set up specifically to look at a new waste strategy.
3. The quoted annual cost savings of £330k on a total cost of £25m are marginal and the costs and savings are insufficiently detailed in the financial case to give credence to the strategy.
4. There is no sensitivity analysis, risk analysis or substantial economic evidence accompanying the costings to demonstrate the strategy will achieve the proposed savings.
5. The performance indicator predictions in the strategy are presented without evidence; on these vital indicators affecting 104k households that are not sufficient.

Overall we are unconvinced by the evidence and arguments put forward; we believe that the strategy will fail to meet its objectives and that the Cabinet's decision is unsound.”

(b) Kents Hill and Monkston Parish Council for the following reasons:

“It is an abuse of process; no consultation; danger of increase in fly-tipping; cost of new scheme; disposal of food waste changing from one scheme to the other.”

A copy of the report and Annex considered by the Cabinet is attached at Item 5.

The Committee is requested to consider the reasons set out in the call-in request and, in accordance with the Council’s

Constitution, either:

- (a) refer the item back to the Cabinet, setting out the nature of the Committee's concerns;
- (b) not refer the item back; or
- (c) refer its views to the Council.

Minutes of the meeting of the EXECUTIVE SCRUTINY COMMITTEE held on MONDAY 16 JANUARY 2017 at 6.30 pm

- Present:** Councillor Eastman (Chair),
Councillors Alexander, Bald (Substitute for Councillor Bint), Clifton, A Geary Miles, Morris, Petchey, Wales and Walker
- Officers:** D Sharkey (Corporate Director Place), S Bridglalsingh (Service Director [Legal and Democratic Services]), T Blackburne-Maze (Service Director [Public Realm]), A Moss (Interim Head of Highways) and S Heap (Committee Services and Scrutiny Manager)
- Apology:** Councillor Bint
- Also Present:** Councillors Bint, R Bradburn, McLean, P Geary and Gifford (Cabinet member for Place) and 19 members of the public.

ES08 MINUTES OF PREVIOUS MEETING

RESOLVED -

That the Minutes of the meetings of the Executive Scrutiny Committee held on 15 November 2016 and 5 December 2016 be approved and signed by the Chair as correct records.

ES09 DISCLOSURES OF INTEREST

Councillor Eastman informed the Committee that he drove a low carbon vehicle.

Councillor A Geary disclosed that his wife was a city centre employee who drove a low carbon vehicle.

Councillor McLean also informed the Committee that he drove an electronic vehicle.

Councillor Wales advised that she was a city centre employee.

ES10 CALL-IN OF DELEGATED DECISION 20 DECEMBER 2016: PARKING CHARGE REVIEW

The Committee considered the decision made by Councillor Gifford (Cabinet member for Place), acting under delegated powers, on 20 December 2016 in respect of the Parking Charge Review.

It was noted that on 25 October 2016 that Councillor Gifford had decided that:

“That the proposals contained within the hierarchy at the Annex attached (*attached as an Annex to these Minutes*) are approved with effect from 1 April 2017 with amendments to give effect to phasing the increases for the Low Carbon Vehicle Permit and the Multi Occupancy Vehicle permit over the next two financial years.”

It was reported that the decision had been called-in by Councillors Bint and McLean on the following grounds:

“The decision was described by members of the public as being ‘invidious’, ‘unfair’ and ‘regressive’, and I agree with all those comments. More formally, the reasons for this call-in are as follows:

1. All the fee changes are increases, yet there is no rationale being put forwards for a net increase in fees, and the justification put forwards by most officers for the changes is to address inconsistencies between the different fee levels. Given the massive (£11M) annual surplus on parking, there can be no justification for a net increase for any reason other than traffic management reasons, and no such justification has been put forwards. Any net increase in parking tariffs based on the rationale in the paper and as expounded by officers at the meeting is therefore unjustified and unacceptable.
2. There can be no justification for reducing the attractiveness of relatively low-carbon modes of travel. Yet that is precisely what the officer report seeks to achieve. The modes of travel facing these fee increases are precisely the modes of travel that the Council should be trying to make more attractive, so more people use these modes of travel, compared to other forms of parking (i.e. a single-occupancy private car). The increase of these tariffs is therefore contrary to the Council’s adopted objectives for reducing total carbon footprint and contrary to the Council’s adopted objectives for modal shift, and is therefore unacceptable. If the current Administration has adopted a position of climate change denial, as indicated by these proposals, the public deserves to know!
3. Members of the public spoke of the profound impact of these changes on various groups of CMK employees and employers, and there is nothing in the officer paper to show that these considerations – including the overall impact on jobs and the local economy, and the overall impact on people’s travel choice including purchasing decisions of electric and hybrid cars – have been assessed. The decision is therefore unacceptable by virtue of not assessing the likely impact.
4. There are a number of questionable points put forward in the paper or verbally by officers at the meeting. For example, the verbal assertion that “motorists are being subsidised” (when actually motorists are contributing £11M of surplus being used to subsidise non-motorists). There is a written assertion (para 2.4) that officers are engaged in price-fixing discussions with competitors that would be illegal under Chapter 2 of the Competition Act. Paragraph 3.1 indicates that the authors of the papers believe this is a revenue raising proposal, contrary

to the assurance of the Corporate Director. The decision is therefore unacceptable by virtue of being based on improper, factually incorrect and inconsistent officer advice.”

The Committee heard from Councillor Bint, who presented the call-in, together with a response from Councillor Gifford (the responsible Cabinet Member). The Committee also heard from one witnesses called by Councillors Bint and McLean and officers of the Council advising the responsible Cabinet member.

In addition to the reasons submitted as part of the call-in request, Councillor Bint explained that it had been made clear at the mediation meeting that the reason behind the decision was to continue to encourage low carbon travel and modal shift rather than income generation. Councillor Bint also read out representations he had received regarding the proposed increase to parking charges. Councillors Bint emphasised that increasing charges to park low carbon vehicles would work against the Council’s Policy to encourage the use of such vehicles and increase the parking costs for users disproportionately.

The Committee heard from the witness called by Councillors Bint and McLean that the cost and availability was a big issue for city centre businesses when it came to attracting and retaining staff, particularly those at the lower end of the income scale such as apprentices. The witness also referred to personal safety issues for employees who had to walk a distance to their vehicles, especially after dark.

Councillor Gifford explained that the proposed charges were designed to encourage behavioural change and to bring the fees for lower carbon vehicles and car share in line with increases to other parking tariffs over a number of years. Councillor Gifford acknowledged the level of increase which was why she had agreed to phase the introduction. However, she recognised that, even with the increases, car parking remained relatively cheap in Milton Keynes when compared to most towns.

Officer colleagues provided clarification as to the use of parking revenues and suggestions of price fixing with other car parking providers in Milton Keynes.

The witness presented by Councillors Bint and McLean, in response to a question, reiterated the potential impact on Central Milton Keynes employees of increased parking costs.

In response to questions Councillor Gifford emphasised that:

- (a) The new charging hierarchy was not intended to generate additional income and ultra-low carbon and electric vehicles still qualified for free parking. The Council would continue to offer discounts on parking fees to users of low carbon vehicles. It was hoped the fee hierarchy would encourage the wider use of ultra-low carbon and electric vehicles;

- (b) The parking income in the Budget 2017/18 was based on selling the same number of permits as at present, but did not take account of any modal shift, or change in vehicle ownership; and
- (c) As the revised arrangements were not expected to impact on employment it had not seen as necessary to undertake an Economic Impact Assessment. It appeared that the number of available car parking spaces was of more concern to local employers than the cost of parking for owners of low carbon vehicles.

The Committee heard from eight members of the public during consideration of the item. While one member of the public supported the new charging structure, the remainder expressed concern at the extra costs for employees and the size of the proposed increase. It was pointed out that the majority of employees could not afford low carbon and electric vehicles and that parking costs were having an impact on recruitment and retention. The Committee also heard from Councillor P Geary who, amongst other things, referred to the lack of an Economic Impact Assessment.

In debate the apparent limited consultation on the increase in fees and the lack of both an Economic Impact Assessment and an Equalities Impact Assessment were referred to.

RESOLVED -

1. That the decision be referred back to Councillor Gifford, as the decision taker, for the following reasons:
 - (a) the rationale for the change in charging levels has not been substantiated on any other ground other than that of finance;
 - (b) critical evidence in the form of an Economic Impact Assessment, an assessment on the impact on the low carbon strategy and an Equalities Impact Assessment was lacking when the decision was made; and
 - (c) little or no consultation with the Central Milton Keynes Business Community has taken place on the specifics of this issue.
2. That prior to any further decision being taken by the decision maker, the decision maker be advised to take account of an Economic Impact Assessment, an assessment on the impact on the low carbon strategy and an Equalities Impact Assessment and to undertake consultation with the Central Milton Keynes Business Community.

THE CHAIR CLOSED THE MEETING AT 10.22 PM

PARKING CHARGE REVIEW

Permit type	Now	Proposed 2017-18	Proposed 2018-19	Comments
Premium Parking @ £2 per hour X 8hr day X 225 working days year	£3,600	£3,600	£3,600	It is unlikely this charge is ever incurred (other than as a non- resident commuter who is unable to find a commuter space for £10pd/£2250 per annum)
MK Resident Commuter Permits	£1,125	£1,688	£1,688	Increase from £5 to £7.50 per day (Standard charge is £10 per day)
Standard Parking @ 50pph X 8 hour day X 225 working days per year	£900	£900	£900	It is unlikely this charge is incurred as if in CMK this frequently, a concessionary employee permit would be used
Single-Occupancy Vehicle Employee permit (formerly called CMK employee permit)	£540	£630	£630	Popular CMK employee concession available in permit or RingGo, part time versions also available pro rata
Low Carbon Vehicle Permit (per vehicle) (formerly called Green permit)	£75	£195	£315	Increase to 50% of cost of employee permit to improve focus on Low Carbon and EV technology
Multi-Occupancy Vehicle Permit (formerly called Car Share permit)	£30	£80	£130	Based on the fact that car sharing holds inherent savings (fuel and parking) already. Conditions needed to permit single occupant use e.g. for holidays /other absence
EV permits £0 set to £0	£0	£0	£0	Terms of Central Government £9M grant given partly on basis of offering this permit free of charge for 3 years
Sundry Changes				
Charges for Coach Parking	£0	£10 per coach per visit	£10 per coach per visit	Proposal that coaches pay to park when visiting the shopping centre.
Theatre Multi-Storey Car Park	20p per hour	40p per hour	40p per hour	Increase of 20p per hour. Parking available in 4 hour slots.
Removal of Employee Scratch-cards	£2.40 per scratch-card	N/A	N/A	RingGo cashless alternative available

Wards Affected:

All Wards

ITEM 5

EXECUTIVE SCRUTINY COMMITTEE

29 MARCH 2017

Considered by Cabinet - 7 March 2017

APPROVAL OF THE DRAFT WASTE STRATEGY

Responsible Cabinet Member: Councillors Gowans (Cabinet member for Public Realm)

Report Sponsor: Tom Blackburne-Maze (Service Director (Public Realm))

Author and contact: Gill King (Programme Manager (Waste Strategy)),
Tel: 01908 252859

Executive Summary:

This report requests the approval of a new waste strategy for the period 2017-2022. The strategy has 10 priorities including the implementation of a charge for the collection of household garden waste and prioritises further development of proposals to deliver further financial savings.

1. Recommendation(s)

- 1.1 That the Waste Strategy be approved.
- 1.2 That resource allocation and spend approval of £0.4m be approved as an addition to the 2017/18 Capital Programme.

2. Issues

- 2.1 The Council has had a waste strategy since 1999, which has been periodically updated and reviewed. A major review undertaken in 2005, triggered by new legislation, recommended a range of infrastructure improvements which are now almost complete. The strategy has had minor updates since, but a more fundamental review is now necessary due to the financial challenges facing the Council.
- 2.2 The Vision for the new strategy is therefore “To deliver a high quality waste service that provides value for money and costs substantially less than it did in 2016”.
- 2.3 Two objectives are particularly important to:
 - (a) reduce the cost of waste services, contributing to improving the financial position of the Council in the medium term; and
 - (b) meet the Council’s statutory duties for waste services, including the duty to have regard to the [waste hierarchy](#).

The strategy aspires, as far as possible, and providing that the above two objectives are met to:

- (a) Minimise negative impacts on customer satisfaction levels.
- (b) Reduce the carbon impact of waste services.
- (c) Contribute to making Milton Keynes a forward-thinking city, known for innovation and attracting inward investment.

2.4 The waste services are, for the most part, statutory, and the Council currently outsources them using a number of contracts. The two largest contracts - for waste collection and residual waste treatment - have a number of years to run, to 2023 and 2031 respectively. This places a constraint on the options being considered, since making significant changes could require contractual variations to be made or the breaking of contracts which could have significant financial implications to the Council.

3. Options

3.1 A wide-ranging [review of options](#) has been undertaken to identify and consider all waste-related services provided by the Council. This included refuse and recycling collections, bulky waste, civic amenity (CA) sites (known locally as community recycling centres or CRC's), hospital and clinical collections, graffiti removal, abandoned vehicles, street cleaning, flytipping, enforcement, weed-killing, mechanical sweeping, the processing of recyclable materials at the MRF, food and garden waste (FGW) treatment, and residual waste disposal (MKWRP). Initially over 150 options were generated to identify possible savings. In the area of waste collection, several of these can be combined, generating several hundred combinations. As some collection options savings can generate costs in other waste services, particularly disposal, many combinations did not show overall financial benefits. Fifteen combinations showed an overall benefit over the current situation. The greatest potential savings were from combinations which combined garden waste charging with reduced collection frequencies and increased contract length. However, they also had high capital costs due to the need to buy wheeled bins to accommodate the reduced frequency of collection and increased procurement risk associated with the contract extensions required.

3.2 Following legal advice the options including an extension to the existing contract durations were discarded. The current contracts have already been awarded their maximum possible extensions and any further extension would run a high risk of legal challenge.

3.3 The preferred waste collection option for the duration of this strategy is a combination which retains the current weekly pink and black sack collections, the current collection contract length and implements a system of charging for garden waste collection. This gives the best return on investment and has less risk than other options. It can also be brought in relatively quickly.

3.4 The best opportunity to improve financial savings in waste collection, but with less procurement risk, will come at the end of the existing waste collection contract in 2023. It is proposed to re-consider options with different collection methods, reduced collection frequencies and varying contract lengths within the re-commissioning of this service.

- 3.5 Options regarding the operation and management of the Council's CA sites were also considered. A recent re-procurement for the service resulted in all tenders returned being more expensive to the Council than the current service. Factors contributing to this were the reduced values of recyclables and the need for all three existing sites to be improved via investment. An option considering the replacement of the three existing sites with one new centrally-located "supersite" with improved access for residents and improved prevention on misuse by households outside Milton Keynes and non-household waste would provide the greatest financial benefits. This is likely to take a longer period to implement so it is proposed to look at this in greater detail.
- 3.6 Other options including the development of a trade waste service for small businesses, retendering of the MRF operation, retendering the FGW treatment contract and the possible use of microgeneration plants (which use refuse derived fuel from the MKWRP to produce local energy) are recommended.
- 3.7 The strategy also recommends the publication of all the Council's waste operational policies, and an improved waste education and communications plan, incorporating a publicity plan for reducing litter and fly tipping. This will minimise the impact on the recycling rate due to the probable loss of some garden waste from collections by aiming to improve the quality and quantity of all recycling streams and promoting reuse and correct waste management.
- 3.8 Other options recommended which will bring smaller financial improvements are the introduction of charging for hospital waste collection and disposal, changing the method of disposal of mechanical street sweepings and changes to the distribution of pink sacks and sacks at flats.
- 3.9 The [Overview and Scrutiny Waste Task and Finish Group](#) have scrutinised the preparation of the strategy and have produced a [report](#) which was submitted to the Scrutiny Management Committee on 25 January 2017. This was received by [Cabinet on 7 February 2017](#) and a full response is included within the agenda for March cabinet. The recommendations of the report have been taken into account in preparing the strategy.
- 3.10 The existing contractors, Serco, Amey and Viridor, have been consulted and have provided assistance in the development of options and financial estimates to assist with the assessment of the strategy.

4. **Implications**

4.1 Policy

- (a) The Council Plan places a high priority on securing a balanced medium-term budget.
- (b) The preparation of a waste strategy is in itself a priority in the Council Plan (Commitment 10.1.) Commitment 10.2 in the plan is also waste - related: "to further develop innovative waste treatment schemes to reduce landfill and support optimal recycling rates". The options appraisal has investigated some innovative ideas and of these the use of microgeneration plants warrants further investigation.

- (c) The strategy also contributes to Commitment 13.2 “Review our Low Carbon Strategy action plan by April 2018 to ensure MK is on track to be carbon neutral by 2050”
- (d) Previous waste strategies had 13 policies, most of which have now been replaced by statutory requirements. The new Waste Strategy recommends the development of operational policies into which the few remaining policies (concerning publicity, education and partnership working) can be incorporated.

4.2 Resources and Risk

- (a) The financial resource implications of introducing garden waste charging are as shown below:

Costs	£'000
Revenue changes	
Increase in annual collection costs (including extra cost of collection, administration, and attrition of 23 litre food waste containers)	335
Net increase in annual disposal costs (extra material going to the MKWRP or to open air windrowing instead of in-vessel composting)	153
Income from garden waste charges (assumes 26% uptake at £33 household charge per year)	-820
Total Annual Revenue Change	(332)
Capital Costs (mostly purchase of 23 litre food waste containers for non-participants in the garden waste scheme)	400
One-off Project Revenue Costs (including setting up of Firmstep and Whitespace software to facilitate charging, helpdesk, communications and some temporary extra disposal costs; unwanted bins will not be collected in)	383
	(877)
Net return to the council over contract term £'000	
Average annual overall return over contract term £'000	(175)
Return on Investment (ROI) in years	2.12

The 2017/18 Budget included the New Homes Bonus for the implementation of the waste strategy. This funding will be used to meet the £0.383m one-off revenue costs and £0.4m capital cost of implementation of charging for green waste.

Resource Allocation and Spend Approval of £0.4m in the 17/8 Capital Programme is required for the introduction of food waste bins, for those households who opt not to participate in the garden waste scheme.

The current revenue budget includes an assumption of £0.4m cost reduction from changes in recycling containers (pink sacks), which was proposed in the 2016/17 Budget, but was deferred using one-off funding. This assumed cost reduction has also been offset with the use of one off funding in 2017/18. The outcome of this waste strategy will deliver additional income of £0.332m pa, which leaves a pressure of £0.068m which will need to be incorporated in the 2018/19 Budget.

There is a risk that charging for garden waste will change the flows of waste in ways different from those modelled. Prudent allowances have been made for increased use of the community recycling centres and some garden waste going through incorrect streams (flytipping, black bags) based on experience elsewhere. However, this will need to be evaluated once the scheme is implemented as the Milton Keynes impact may have a different dynamic to other places.

- (b) IT resources required for the introduction of garden waste charging are modifications to Firmstep to collect payments from the Council's website, which has been budgeted at £3,330 and the purchase of the Whitespace garden waste module at £11,900 to enable Serco to carry out administration and distribute the correct bin and information to residents.

Y	Capital	Y	Revenue	N	Accommodation
Y	IT	Y	Medium Term Plan	N	Asset Management

4.3 Carbon and Energy Management

Previous strategies already move most waste collected by the Council from landfill to recycling, composting or energy recovery, giving great benefits in carbon savings. This strategy continues in our aim to be landfilling less than 5% of total waste disposed.

4.4 Legal

The relevant legislation to enable the Council to charge for the collection of garden waste is:

Environmental Protection Act (EPA) 1990 Part II and the Controlled Waste (England and Wales) Regulations 2012.

Section 45 EPA 1990 provides that Councils have a duty make arrangements for the collection of household waste within its area and that no charges are to be made for such services except as permitted by the Secretary of State by regulation. The Controlled Waste (England and Wales) Regulation 2012 classifies waste which is produced from land which is mainly used for dwelling as household waste. Regulation 4 expressly provides that the Council may charge for collection of garden waste but prohibits a general charge for disposal of such waste save in limited circumstances.

This report seeks approval to adopt a waste strategy that involves charging for garden waste. This is permitted as above.

Although collection of household waste is not a discretionary service, the Council should be guided by the general principles of charging which is generally limited to cost recovery rather than profit making.

The proposed strategy does not change the way in which the current contractor collects waste and as such amendments to the contract if any would be minimal with low to nil procurement risks.

4.5 Other Implications

- (a) Equalities - An [Equality Impact Assessment](#) was completed and recommended that the Cabinet should continue with this decision despite having identified some potential for adverse impact or missed opportunities to promote equality. The council has adopted the national policy guidelines which have sought to provide fairness for all users. However the service will continue to monitor who and how people could be adversely affected and report in 12 months about the workings of the new policy upon people with a disability and those on low incomes.
- (b) Sustainability - the strategy continues to contribute to sustainability by reducing the amount of waste landfilled to the lowest possible level and continuing to have higher-than-average recycling rates, though these may be reduced by the introduction of garden waste charging.
- (c) E-Government - Garden waste charging will require IT work to set-up the payments and administration systems.
- (d) Stakeholders - all residents are affected by this strategy. The Council's waste contractors are also affected.
- (e) Crime and disorder - the use of publicity to combat litter and flytipping contributes to reducing the fear of crime; however there could be a small increase in fly tipping which will be discouraged using publicity and enforcement where necessary.

Y	Equalities/Diversity	Y	Sustainability	N	Human Rights
Y	E-Government	Y	Stakeholders	Y	Crime and Disorder

Background Papers: Options Appraisal Report

Annex: Milton Keynes Council Waste Strategy 2017-22



milton keynes council



Waste Strategy

2017 – 2022

Context

The Council has had a waste strategy since 1999. It has been reviewed and updated every few years. A major review in 2005 following the implementation of the EU Landfill Directive in the UK put in train a range of infrastructure, including the introduction of a food and garden waste (FGW) collection scheme in 2009 and the construction of a local residual waste treatment plant (MKWRP), which is currently undergoing commissioning. The main driver for this update is the financial position of the Council which has a funding gap of £56m between 2017/18 and 2020/21. The strategy must enable waste services to be delivered to a growing city with reduced resources.

The [Council Plan 2016-2020](#) has three aims: that Milton Keynes should be a City of Opportunity; an Affordable City and a Healthy City. It aspires to a balanced medium-term budget, and has two waste-related priorities: the first is to produce this strategy and the second is to further develop innovative waste treatment schemes to reduce landfill and support optimal recycling rates.

This strategy covers the following waste-related services which have a combined budget of £25m:

- Waste Collection (including refuse, recycling, food and garden waste collections, bulky waste, hospital waste, clinical waste and a small amount of trade waste).
- Waste Disposal (including the MKWRP, the materials recycling facility (MRF) , and FGW treatment).
- Provision of Civic Amenity (CA) sites, which are known locally as Community Recycling Centres (CRC's) mostly for household waste.
- Street cleaning, litter/flytipping removal, mechanical sweeping of roads, waste enforcement, abandoned vehicles, graffiti and weedkilling.

The strategy is constrained by two major factors:

- Most household waste services enable us to fulfil our statutory obligations and must be provided free of charge. The majority of the annual financial budget is spent in these areas, however, there are some services provided for which separate charges can be made as many other Authorities currently do, including the collection of household garden and bulky wastes and the collection and disposal of trade wastes. There is also some flexibility in the way that services can be provided which can provide significant financial savings, such as the frequency of the collection of various waste streams and the number of CA sites that need to be provided.
- All waste services are contracted-out. The two largest of the Council's waste contracts – waste collection and street cleaning, held by Serco and residual waste treatment, held by Amey, are not due to end in the next five years - the lifetime of this strategy. However, the contracts for FGW treatment and CA site operation will end in the next 5 years. Making significant changes mid-contract could result in significant costs to the Council outweighing any potential financial benefits.

Our strategy has been informed by an extensive [options appraisal](#) process which began in August 2016 and considered a wide range of different options.

Previous strategies have had a strong focus on legal compliance particularly regarding the issues of landfill allowances and recycling targets. However, the political and legal environment is very different in 2017 and the financial challenges which face Authorities are much greater. To date almost all UK waste legislation has derived from EU Directives but now there is much greater uncertainty in the future direction of national waste policies. The Council currently does not have to meet any recycling or landfill targets. It does, however, have a duty to separate out paper, metals, plastics and glass for recycling and to have regard to the [waste hierarchy](#). Due to continuing high rates of [Landfill Tax](#), landfill is, and will probably continue to be, the most expensive disposal route for most waste streams. In England recycling rates are static or declining, due mainly to the way this is recorded by weight. This has been affected by the packaging industry reducing the weights of recyclable materials but also the introduction of garden waste charging by Authorities as their overall budgets reduce.

Vision

The vision of the Waste Strategy is:

To deliver a high quality waste service that provides value for money and costs substantially less than it did in 2016

Outcomes and objectives

Two objectives are particularly important:

- To reduce the cost of waste services, contributing to improving the financial position of the Council in the medium term and
- To meet the Council's statutory duties for waste services, including the duty to have regard to the waste hierarchy.

We also aspire, as far as possible, and providing that the above two objectives are met to:

- Minimise negative impacts on customer satisfaction levels.
- Reduce the carbon impact of waste services.
- Contribute to making Milton Keynes a forward-thinking city, known for innovation and attracting inward investment.

Priorities

The Strategy's priorities are:

1. Garden Waste Charging	We will implement a system of garden waste charging during 2017/18.
2. Trade waste collection review	We will research and develop a trade waste collection model for small and medium sized businesses.
3. Communication and education	We will undertake a comprehensive communication and education plan to reduce overall waste volumes, minimise the impact on recycling rate by the introduction of garden waste charging, improve quantity and quality of recycling, promote reuse and reduce litter and flytipping.
4. Operational Policies	We will publish new operational policies which contribute to improving customer service levels.
5. Retender the FGW treatment contract	Upon the completion of the existing FGW treatment contract we will retender the service to maximise value for money.
6. Review of the waste/street cleansing collection service	Within the constraints of the existing contract provisions, we will continue to review our service delivery provision and prepare for the end of the existing collection contract in 2023.
7. Preparation for new MRF service provision	We will work with neighbouring Authorities and prepare a plan to replace the existing MRF contract when it ends.
8. Investigation of the potential for microgeneration plants¹	Together with our service providers and any other relevant partners, we will investigate the potential for local microgeneration plants.
9. Review provision of CA site provision.	We will review the provision of CA sites in Milton Keynes to ensure they are fit for the future. Improved controls on trade waste, other non-household wastes misuse and

¹ A microgeneration plant is small energy-generating plant, capable of using refuse-derived-fuel produced at the MKWRP to generate local heat and power on a smaller scale than the MKWRP.

	restrictions on the use by those residents living outside Milton Keynes will be implemented.
10.Implementation of minor improvements	We will implement other activities which bring minor financial improvements including hospital waste charging, changes to mechanical sweepings disposal, changes to the supply of extra sacks and the use of reusable sacks at flats which have Eurobins as they are identified.

Measuring the effects of our strategy

The strategy will be measured by three main indicators – financial, waste hierarchy rates, and customer satisfaction.

Financial Costs

It is anticipated that garden waste charging will reduce the Council’s revenue budget from the current level by £332,000 annually². The minor improvements could collectively give an improvement of c£100,000.

Other priorities may yield possible further reductions in budget as they are developed further, however, the largest opportunities for financial reductions will be delivered as our existing long term contracts end at the end of this strategy.

Waste hierarchy rates

This is measured using the benchmark national indicator known as “NI192” – the percentage of household waste recycled, or by using the percentage of total waste collected by the Council that is recycled.

The current measurements of these are

Performance Indicator	2015/6 Outturn	2016/17 Forecast	Effect of the strategy
% of household waste sent for reuse, recycling and composting (NI 192)	51%	52%	The strategy is likely to reduce recycling rate by 3-4%
% of all waste collected by Milton Keynes Council that is	52%	52%	The strategy is likely to reduce recycling rate

² This assumes an average price point for the garden waste charge at £33. The options appraisal report assumes a £35 price point, which generates a higher saving level

sent for reuse, recycling or composting			by 3-4%
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The percentage of waste collected by the Council that is sent to landfill is also a national benchmark indicator.

Performance Indicator	2015/6 Outturn	2016/17 Prediction	Effect of the strategy
% of municipal waste sent to landfill (NI 193)	27%	34%	With the MKWRP coming on-stream, the amount of waste being landfilled is expected to be below 5% by 2022

Two thirds of garden waste which is not collected by the new chargeable scheme is predicted to be taken to the CA sites. Extra controls on the use of CA sites are likely to reduce the usage of the facilities by out-of-Milton Keynes residents and trade waste misuse.

Customer Satisfaction

The Council's waste services presently have high satisfaction. The strategy aims to maintain these levels whilst improving on communications and education to mitigate any adverse reactions:

Performance Indicator	Annual rolling at Jan 16 benchmark	Annual rolling Nov 16	Effect of the strategy
% citizens satisfied with refuse collection	89.6%	89.4%	The strategy is unlikely to affect this
% citizens satisfied with recycling collection	92.6%	89.8%	The strategy is unlikely to affect this
% citizens satisfied with food and garden	94.8%	95.1%	The strategy is likely to result in a decrease in satisfaction as a charge

waste collection			for this service is implemented
% citizens satisfied with community recycling centres	95%	91%	The strategy could result in changes to this indicator as improvements to the misuse of existing sites are implemented.
% citizens satisfied with street cleaning	75.0%	76.3%	The strategy may result in changes to this indicator as service changes are implemented.

