

OXFORDSHIRE WASTE PARTNERSHIP JOINT COMMITTEE

Minutes of a meeting of the Oxfordshire Waste Partnership Joint Committee held at Bodicote House, Bodicote, Banbury on Friday 31 August 2007 at 9.30am.

Present: Councillor Kieron Mallon (in the Chair) (CDC)

Councillors Roger Belson (OCC), Tony De Vere (VOWHDC), David Dodds (SODC), David Harvey (WODC) and Jean Fooks (O City).

Officers: Wayne Lewis (OWP Co-ordinator), Colin Bailey (O City), Ian Davies (CDC), Richard Dudding (OCC), Cath James (WODC), Claire Kingston (SODC), Andrew Pau (OCC), Ed Potter (CDC), Sally Wilson (SODC) and Steve Lodge (CDC).

PART I: MATTERS NOT OF AN EXEMPT OR CONFIDENTIAL NATURE

218	MINUTES	ACTION BY
	The Minutes of the meeting held on 25 May 2007 were confirmed as a correct record and signed by the Chairman.	
219	APOLOGIES FOR ABSENCE AND NOTIFICATION OF DEPUTY MEMBERS	
	An apology for absence was received from Sharon Cosgrove (O City).	
220	DECLARATION OF INTEREST	
	There were no declarations of interest.	
221	MATTERS ARISING	
	(a) Local Area Agreement Targets (Minute 211)	
	Tony DeVere stated that discussions were currently taking place between Vale of White Horse District Council and Oxfordshire County Council with regard to the withdrawal of part of the county's street cleansing service. The Vale of White Horse DC currently undertook the removal of litter and Oxfordshire County Council removed detritus, but had reduced their budget for weed removal and this has resulted in cleansing problems for the District Council. Councillor DeVere requested that this matter be placed on the agenda for the next meeting.	S Lodge
	(b) Waste Treatment Project Update (Minute 212)	
	The Committee noted the current position with the regard to the Pilot Food Waste Scheme within Cherwell. E Potter indicated that this was still in the planning stage and consultations were currently taking place with WRAP. Contact had also been made with the aerobic digestion plant in Helmdon. A report would be sent to Cherwell District Council's Executive in the autumn with a view to that Council undertaking a pilot scheme in the summer of 2008.	

(c) Waste Collection Joint Procurement Project (Minute 213)

The Committee noted that it was not known when the SECE Waste Collection Joint Procurement Project would come onstream.

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NEW FINANCIAL ARRANGEMENTS

The Committee considered a report on the new financial arrangements for Oxfordshire Waste Partnership and noted the background and process that had been undertaken to arrive at the current position. This had been undertaken in order to devise a different means of allocating costs and income between Partner Authorities so as to achieve the OWP objectives.

The Committee noted the final model outputs between 2009/10 and 2019/20 were as follows

2009/10 – 2019/20	Total WCA payments (a)	WCA net costs (b)	WDA costs (c)	Overall Oxon cost (b+c)
Statutory Instrument (Recycling Credits)	£63,281,323	£101,041,921	£254,103,340	£355,145,261
New Financial Arrangements	£67,380,282	£96,942,962	£258,202,299	£355,145,261

The model had been based on 3 payments:-

- (1) a per household recycling credit which moved in line with the annual residual target;
- (2) an incentive/penalty payment for performance against the residual waste targets (starting at £40 per tonne in 2009/10 and increasing in line with inflation); and
- (3) a BMW incentive/penalty payment for the amount of BMW landfill, set the fixed annual rate.

The Committee noted a breakdown of the payments received by each waste collection authority under both the statutory instrument and the new financial arrangements as follows:

	Cherwell	City	Vale (H)	South (H)	West (H)
New Financial Arrangements	£17,405,173	£17,760,302	£11,944,860	£12,669,002	£7,600,946
Statutory Instrument	£17,949,756	£12,945,116	£9,923,156	£11,774,038	£10,689,257
<i>Difference</i>	<i>-£544,583</i>	<i>£4,815,186</i>	<i>£2,021,704</i>	<i>£894,964</i>	<i>-£3,088,311</i>

This indicated that at Oxford City, the Vale of White Horse and South Oxfordshire District Council benefited from the new arrangements. Cherwell District Council lost £544,583 over the 11 years modelled whilst West Oxfordshire was some £3,000,000 worse off under the new arrangements.

By providing each authority with the same landfill allowance per household, it followed that those that landfilled most lost out. Whilst this initially be

considered equitable, it could be argued that it took insufficient account of the different starting position of each of the Partner Councils. For example it will be difficult for those authorities using wheeled bins for residual waste collection to reduce their arisings to an amount equivalent to those operating sack collections. However, the introduction of new collection schemes in the 3 WCAs in 2010 should result in greater consistency across Oxfordshire in the amount of waste landfill per household as each authority would be operating similar schemes.

In accordance with the agreed financial principles, the model dealt only with household waste. When setting residual waste and BMW targets, the county's LATS allocations had been distributed to the household waste stream. However, residual trade waste collected by Oxford City Council and West Oxfordshire District Council would count against the County's LATS allowance. This was an additional cost that was not considered by the current model. Trade waste would remain an issue for the OWP irrespective of new financial arrangements. It was agreed that the Partnership should consider how best to manage these potential costs in an equitable way and also consider what practical support could be provided to the affected Partner Councils to help them reduce the amount of residual trade waste collected.

The Committee also noted a chart indicating the WCA forecasts for the amount of waste landfill per household per year. This illustrated that each WCA had a different starting point and also that each WCA had forecast a similar trend over time. The amount of waste landfill reduced each year until 2012 and then plateaued.

The Committee also considered charts relating to the costs of the gate fees for invessal composting. The model currently assumed that the County Council paid the gate fee costs for invessal composting and also paid residual waste and BMW incentives under the new arrangements. As the County Council were unlikely to pay both costs, further consideration of which payment was to apply was needed as this would affect the balance of costs between the County Council and the WCAs within the model, although the overall costs would remain the same. The IVC gate fees and incentive payments would be an important consideration for WCAs when deciding on whether to provide different collection options as set out in the Joint Municipal Waste Management Strategy.

The comments of the various partnership authorities were noted as follows:-

- (i) Oxfordshire County Council – Roger Belson expressed concern relating to the current recycling credits scheme in that they did not promote waste reduction. He considered that the new financial arrangements were a considerable step forward, and close to what needed to be achieved. He felt that the Partnership should concentrate on reducing LATS and should encourage people to reduce rubbish sent to landfill. He also considered that more time could be given to Council's to reduce waste landfill, and suggested some dampening down could be used through lower penalties. He did not wish to see the return of recycling credits. In this connection the Committee noted the revised recommendations which had been submitted by Oxfordshire Country Council;
- (ii) Oxford City – Colin Bailey stated that he was generally happy with the new arrangements but considered that further work still needed to be

made to the new financial arrangements to allow them to become more manoeuvrable. In relation to landfill tonnage per household he considered that the Partnership and the individual local authorities should drive to reduce landfill which in accordance with estimates was due to level out in 2012. Jean Fooks highlighted that types of properties varied considerably between various authorities, and questioned whether per household was the best measure and suggested the Partnership explore payments per capita.

- (iii) Vale of White Horse – Tony De Vere stated that he believed the new financial arrangements acted as an incentive to WCAs to reduce waste. The new arrangement had no detrimental effect on his Authority and he was relaxed with the new arrangements and endorsed the views of Oxfordshire County Council with regard to the principle of the new arrangements. He expressed concerns however in relation to the revised payments in each WCA and felt that dampening would be beneficial but felt that overall the new arrangements were a fair and equitable base;
- (iv) West Oxfordshire District Council – David Harvey stated that the new financial arrangements had major implications for West Oxfordshire District Council and enquired why there was more residual waste in West Oxfordshire, per household than in the other Districts in Oxfordshire. He felt that the demography of West Oxfordshire was different to districts with large urban areas as properties in West Oxfordshire tended to be houses with very few flats. He stated that when LATS targets had been decided in 2001/02 different district councils had started at different points and this was the route cause of the problems.

Cath James stated that although she considered the principles of the new financial arrangements to be sound, she felt that these could be interpreted in many different ways. She considered that there were equitable and demographic issues and did not understand why 2001/02 waste figures had been agreed by the Government as the starting point for LATS allowances. She considered that West Oxfordshire would be unable to afford the new financial arrangements. She also pointed out that the cost on both the new arrangements and the statutory instrument was the same. She agreed that waste reduction should be supported but felt there were difficulties with the current model trying to make all Oxfordshire households the same. A tonnage based waste diversion credit might be more appropriate.

- (v) South Oxfordshire District Council – David Dodds felt that the object of the new arrangement should be to encourage Council's to reduce their residual waste/landfill. He felt that the new financial arrangements should be implemented although they could be refined. The changes as a result of the new arrangements would have little effect on the South Oxfordshire District Council and he encouraged the Partnership to go forward and not to delay its implementation. He stated that the demography of West Oxfordshire, South Oxfordshire, and Vale of White Horse District Councils were not so different. He accepted that housing was different within Oxford City and that some flexibility within the new arrangements may be needed to account for this.
- (vi) Cherwell District Council – I Davies stated that the implementation of

the new financial arrangements was a significant point for Oxfordshire Waste Partnership. He felt that the modelling undertaken had been useful, but had become complicated. However, at the same time the model was not sophisticated enough to reflect accurately the County-wide variations.

He considered that this had resulted in a degree of inequity as Cherwell received less payment under the new arrangement, these would be paid under the recycling credits scheme, although it was the best performer as the highest recycler and lowest landfiller.

He stated that the modelling resulted in a 48% recycling rate compared with the OWP target of 55%. He stated that more needed to be done to waste minimisation in order to promote the behaviour rewarded by the model. Cherwell could not support the Oxfordshire County Council recommendation and he also considered that the model should reflect the latest position on IVC costs.

The Chairman stated that he considered that the principles of the new arrangements were sound and should operate fairly and equitably across the board and should not penalise those authorities who looked to reduce waste and undertake recycling. He felt that further work should be undertaken on modelling and IVC should be taken into account.

The Committee noted (1) the recommendations which had been set out in the report; (2) the suggested amendments made by Oxfordshire County Council; and (3) amended recommendations which had been made at an Officers meeting prior to the commencement of the OWP meeting that day.

At this stage of the meeting (10.25 am) the meeting adjourned for 25 minutes to allow the various Partnership Authorities to consider the amended recommendations.

At the recommencement of the meeting, the Committee gave further consideration to the new financial arrangements and

RESOLVED that the Committee:-

- (1) strongly affirm the principle that new financial arrangements should incentivise waste reduction as well as recycling;
- (2) recognise that the outcome of the modelling to date was inequitable to Cherwell and inequitable and unaffordable to West Oxfordshire District Council;
- (3) agreed that the financial modelling completed to date achieved some of what is required according to the agreed principles that more work was required which should include consideration as to whether a more equitable result would be achieved by using a demographic base rather than households;
- (4) recognise that further work was required by OWP and all councils on waste minimisation, waste reuse actions and projects with scheduled work to achieve this;
- (5) agreed that further financial modelling must include the estimated financial effects to all affected Partner Authorities of IVC;

**W Lewis to
co-ordinate**

**All Partner
Authorities**

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- (6) agreed that all Partner Authorities commit to further modelling work and finally report back on the outcome of the work to the next OWP meeting on 28 September 2007 so that a decision can be made at the meeting enabling introduction from 1 April 2009 and that decision be forwarded to the Oxfordshire Leaders Group; and
- (7) agree that a progress report be submitted to the Leaders Group on 13 September 2007.

**All Partner
Authorities
W Lewis to
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I Davies

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END OF MEETING

The meeting ended at 11.32 am.