

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Streetscene & Engineering Cabinet Board

22nd February 2019

Report of the Head of Streetcare

M. Roberts

Matter for Decision

Wards Affected: All Wards

HOUSEHOLD WASTE RECYCLING CENTRE, LOWER CWMTWRCH

Purpose of Report

- 1 To set out arrangements for sharing with Powys County Council (Powys), the Household Waste and Recycling Centre in Lower Cwmtwrch; to seek approval of related Heads of Terms; and to obtain delegated authority to finalise and enter into an associated Inter-Authority Agreement.

Executive Summary

- 2 Further to previous Member decisions, notice has been given to the Council's current Household Waste Recycling Centre service provider at Pwllfawatkin, and Officers have been in dialogue with colleagues from Powys to agree terms for sharing their HWRC at Lower Cwmtwrch with the intention of saving money for the Council, boosting recycling, and maintaining service provision in the upper Swansea Valley. Working collaboratively is one of the national well-being service delivery principles.

Background

3. Following consultations on the Council's budget for 2018/19, Council approved in February 2018 a proposal to reduce costs in relation to the provision of HWRC facilities in the upper Swansea Valley. Subsequently, in March 2018, Members of the Streetscene & Engineering Board agreed a final one year extension of the Council's contract for the HWRC at Pwllfawatkin and that notice be given to the service provider to facilitate a change to collaborative

service arrangements with Powys at their site on the border with NPT at Lower Cwmtwrch from April 2019.

4 Further to the Member resolutions, officers have been in dialogue with colleagues in Powys to agree Heads of Terms for an Inter Authority Agreement in respect of the shared use of their facility. The draft terms are included in Appendix 1 and, in summary, provide for service provision on the following basis:

- NPT pay towards running of the Lower Cwmtwrch site;
- Waste and recycling tonnages for the site being shared between the Councils with respect to national WasteDataFlow reporting;
- Service commencement on 1st April 2019 with termination of the contract on either side subject to three years notice;
- Powys' van permit scheme applying to the site with Powys processing applications from residents in NPT with a direct link being provided from our website (see Appendix 2 for details); and,
- Existing Powys operating hours as follows:

| | |
|-----------|------------------|
| Monday | 9.00am – 5.00pm |
| Tuesday | Closed |
| Wednesday | Closed |
| Thursday | 9.00am – 5.00pm |
| Friday | 9.00am – 5.00pm |
| Saturday | 10.00am – 4.00pm |
| Sunday | 10.00am – 4.00pm |

Site closed on Christmas Day, Boxing Day and New Year's Day as in NPT.

5. In addition to the above, there is potential to expand use of the site in future in respect of the dropping off/discharging of recyclables, gully and sweeper materials by vehicles operating in the Swansea valley which would significantly improve service efficiency compared to currently recycling facilities. Future collaboration in this area, and associated investment support by WG, will be a subject of further discussion with Powys going forward.

6 The operation of site at Lower Cwmtwrch is currently contracted out by Powys and discussions are currently taking place between

officers regarding the future management of the site once the contract ends on 30th June 2020. Operating the site jointly for a year prior to this will provide accurate service information that will assist any procurement process for future arrangements.

- 7 Following endorsement of the Heads of Terms, it is planned to erect signage at Pwllfawatkin giving advance notice of service changes. On closure of the Pwllfawatkin facility FCC Environment which owns the site and manages the HWRC will take all necessary measures to secure their site and remove the last of any waste and recyclable materials/containers.
- 8 Members are asked to endorse the proposed Heads of Terms and to delegate authority to the Head of Streetcare, in consultation with the Head of Legal Services, to finalise and enter into the inter-authority agreement.

Financial Impact

9. For 2019/20, NPT is required to pay £330,000 for use of the site. This does not achieve the full £100K aimed for in the Forward Financial Plan but still delivers a significant saving. The figure for 1st April to 20th June 2020 will be a pro-rata amount with no indexation. During this time, residual waste, recycling, reuse and composting tonnages taken by residents to the site will be shared on a 50/50 basis. Furthermore, joint surveys will be undertaken to identify the relative usage by residents from the different council areas.
10. From 20th June 2020, one of a number of options will then be taken forward, principally:
 - a. A new competitive tender will be let by Powys which identifies the cost of the Lower Cwmtwrch site separately. NPT would be required to meet 50% of the annual cost for the site up until the end of March 2022. After this period it has been agreed that the usage surveys will be used in the calculation of contributions between the Councils. NPT will have advance notice of any implication of this from surveys in 2019/20.
 - b. Powys Council will bring the management of the site in-house and costs would be split on a 50/50 open book basis,

again until March 2022 after which site use surveys will be used in the calculation of contributions between the Councils.

- c. Powys Council will take up their option to extend the existing contract by two years to June 2022. In this case NPT would continue to pay Powys £330,000 per year (unless Powys could negotiate a reduction in light of operational experience over the initial period in which case NPT would receive half the reduction). From 1st April 2022, site use surveys will be used in the calculation of financial contributions between the Councils as with other options. After June 2022, option a) or b) would then be pursued.

[There is a further potential option for this Council to include management of the Lower Cwmtwrch site in its HWRC management contract which is due to expire in 2020, subject to agreement of terms with Powys CC. In this case NPT would again meet 50% of the annual cost for the site as with option a) up until the end of March 2022, and after this period usage surveys would be used in the calculation of contributions between the Councils.]

Impact Assessment

- 11 Notwithstanding the previous equalities screening assessment undertaken as part of associated former decisions, a current Integrated Impact Screening Assessment has been undertaken in relation to this collaboration initiative (see appendix 3). After completing the assessment it was determined that the initiative does not require a full Integrated Impact Assessment.

Workforce Impact

- 12 Currently, this Council contracts the provision of the service at Pwllfawtkin to FCC Environment, who own the facility. Whilst the proposed arrangement is a collaboration with Powys to share their existing site at Lower Cwmtwrch, the actual operation of the site is undertaken by Powys' contractor (Potters Waste Management). From this Council's perspective TUPE will apply to the provision of these services but this has been disputed by Powys. However, we have been informed by Powys that no additional posts will be created at the Lower Cwmtwrch site and consequently the two full time employees currently employed by FCC Environment at the Pwllfawtkin HWRC will be made redundant as a result of the

closure of the current facility (for which they will receive relevant redundancy payments from FCC Environment). The Council will be able to offer the two individuals operational jobs within the Environment Directorate from 1st April 2019 if they are prepared/ in a position to travel to the relevant operational centre, e.g. waste operatives based at The Quays.

Legal Impact

- 13 Section 101 of the Local Government Act 1972 permits this Council to enter into arrangements with other local authorities/public bodies for the discharge of functions of this kind. In addition, Regulation 12 of the Public Contract Regulations 2015, allows this Council to implement a co-operation agreement between the public bodies with the aim of ensuring that the services they have to perform are provided with a view to achieving objectives they have in common (i.e. the provision of waste services). In entering into this arrangement, this Council will be required to enter into an Inter Authority Agreement (the details of which are set out in this report) which this Council will be required to comply with.

Risk Management

- 14 Collaborating with Powys over the facility in Lower Cwmtwrch will remove the current procurement risk associated with the existing long term single tender provision of services by FCC Environment. Furthermore, given waste operations at the site are limited to the current planning permission, moving service provision to Lower Cwmtwrch will help secure provision in the longer term for the former Lliw Valley area. Furthermore, as the site is larger and has better service provision it will boost recycling performance and help to reduce the risk of not achieving the statutory recycling targets.

Consultation

- 15 There is no requirement under the Constitution for external consultation on this item however the proposal was subject to internal and public consultation as part of Council's FFP process.

Recommendations

16 It is recommended that:

- (i) Members endorse the proposed Head of Terms with Powys for sharing their facility at Lower Cwmtwrch as given in Appendix 1.
- (ii) The Head of Streetcare, in consultation with the Head of Legal Services, is delegated authority to finalise and enter into the inter-authority agreement.
- (iii) Officers continue dialogue with Powys regarding maximising the use of the Lower Cwmtwrch going forward with respect to the utilisation of vehicles operating in the upper Swansea Valley.

Reason for Proposed Decision(s)

17 To deliver the previously agreed savings strategy with respect to HWRC provision in the upper Swansea Valley

Implementation of Decision

18 The decision is proposed for implementation after the three day call in period.

Appendices

19 Appendix 1 – Proposed Heads of Terms for the shared use with Powys of their HWRC at Lower Cwmtwrch.

20 Appendix 2 – Powys County Council Commercial Vehicle or Trailer Permit Policy.

List of Background Papers

- Cabinet Report 8th November 2017: Draft budget for public consultation (ref: saving strategy ENV 803, HWRC alternative service delivery in the Upper Swansea Valley).

- Streetscene and Engineering Cabinet Board Report: 11th December 2017: Consultation on Environment Directorate budget and draft savings (providing more detail on ENV803)
- Cabinet Report 20th February 2018: Revenue budget proposals including FFP consultation response summary (with further details in Annex 1).
- Council Report 21st February 2018; Revenue budget proposals for 2018/19.
- Streetscene & Engineering Cabinet Report 2nd March 2018: Extension of contract for HWRC at Pwllfawatkin and giving notice to FCC in respect of sharing the facility in Lower Cwmtwrch from April 2019.

Officer Contact

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Proposed Heads of Terms

Between

Powys County Council

And

Neath Port Talbot County Borough Council

For An

Inter –Authority Agreement

With respect to

Shared use of the Lower Cwmtwrch Household Waste Recycling Centre



THIS AGREEMENT is made the _____ day of _____ 2018

BETWEEN

POWYS COUNTY COUNCIL of County Hall, Llandrindod Wells, Powys, LD1 5LG
and

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL of Civic Centre, Port Talbot, SA13 1PJ

Background

The Councils have agreed to work together to allow residents of Neath Port Talbot County Borough Council to utilise Powys County Councils Household Waste Recycling Centre located at Bethel Road, Lower Cwmtwrch, Powys, SA9 2QQ

The Councils agree to work in partnership to successfully implement and manage the agreement.

The agreement is made in accordance with Section 51 (1b) of the Environmental Protection Act whereby 'it shall be the duty of each Waste Disposal Authority to arrange for places to be provided at which persons resident in its area are able to deposit their household waste', and under section 51 (2a) 'that each place is situated either within the area of the authority or so as to be reasonably accessible to persons resident in its area'.

The Councils acknowledge that there are economic benefits to both parties through this Agreement.

1. Definitions

- 1.1 NPTCBC Neath Port Talbot County Borough Council
- 1.2 PCC Powys County Council
- 1.3 HWRC Household Waste Recycling Centre
- 1.4 PWM Potters Waste Management, the current Contractor
- 1.5 Agreement This signed document
- 1.6 Lead Officer Designated member of staff from each authority
- 1.7 Monthly Cost The monthly cost charged to Powys County Council by the contractor
- 1.8 CVT permits Commercial Vehicle or Trailer permits

2. Commencement, duration and termination

- 2.1 The Agreement shall commence from 1st April 2019.
- 2.2 The Agreement shall continue until terminated by either party, in accordance with Clause 8.

- 2.3 The Councils agree that following the commencement date PCC will continue to manage and monitor the Contract with PWM. Should that Contract be terminated at any point it will not affect the operation of this Agreement.
- 2.4 Following either termination or end of the existing contract the service will be re-tendered or provided 'in house'. In either case the Agreement will continue on the same basis.

3. Principles and key objectives

- 3.1 The Councils agree to be fully committed to working together to deliver this Agreement.
- 3.2 In relation to this Agreement the Councils will act in accordance with a duty of good faith to each other, will be open and trusting in their dealings with each other, make information and analysis available to each other and contribute fully to all aspects of making the joint working successful. Whilst respecting the mutual need for commercial confidentiality, the Councils will willingly embrace a commitment to transparency in their dealings and in particular a need to comply with statutory access to information requirements including the Environmental Information Regulations 2004 (SI 3391) and the Freedom of Information Act 2000 and supporting codes of practice. The Councils will be aware of the need for and respect matters of commercial confidentiality and potential sensitivity.
- 3.3 The Councils recognise that they are engaged in what could be a long term business relationship for mutual benefit through the achievement of the Agreement. Each Council will use reasonable endeavours to develop and maintain an effective joint process to ensure that the relationship develops appropriately.
- 3.4 Both Councils shall use their reasonable endeavours to ensure that their respective members and officers who are involved in the Agreement shall at all times act in the best interests of the Agreement, devote sufficient resources and respond in a timely manner to all relevant requests from the other Council.

4. Operation

- 4.1 The Councils agree that PCC will continue to manage the Contract with PWM but will share documentation necessary to the successful operation of the Agreement with NPTCBC.
- 4.2 NPT CBC will liaise with PCC Lead Officer as regards any issues that may arise as a result of the Agreement. NPTCBC will not liaise directly with PWM.
- 4.3 Residents and Officers of NPTCBC will adhere to the site rules and regulations that are in place under the current Contract between PCC and PWM, including but not limited to the CVT permit policy and sorting of mixed waste/black bags.
- 4.4 All queries from residents will be handled by the respective authority.
- 4.5 Site user surveys will be jointly commissioned following quarter one of the first year of the Agreement.
- 4.6 PCC will process all applications for CVT permits, including those from NPTCBC.
- 4.7 PCC and NPTCBC will consult each other prior to any operating changes at the site. In particular, PCC will not agree any variation to the PWM Contract in relation to the site without NPTCBC's prior written agreement..

5 Payment

5.1 Payments will be made in accordance with Schedule 1 of this Agreement.

6 Waste Data

6.1 PCC will provide NPTCBC with the relevant monthly data as regards the tonnage of material collected at the HWRC.

6.2 PCC will provide NPTCBC with the necessary information for compliance with Waste Data Flow reporting requirements

7. Communication

7.1 PCC and NPTCBC will consult with each other prior to any communications regarding the HWRC.

8. Termination

8.1 Either party may terminate this agreement by giving no less than thirty six months written notice to the other.

8.2 PCC and NPTCBC agree that failure to comply with this Agreement will amount to a fundamental breach and may result in termination of the Agreement without notice.

Schedule 1 – Payment

1.1 Both Councils have agreed that from commencement of the Agreement under the existing contract with PWM the cost to NPTCBC will be £330,000 per annum payable in monthly instalments, or otherwise under any subsequent retendering or bringing in-house the Monthly Cost will be shared equally between both authorities until after three years of the Agreement when the Monthly Cost will thereafter be shared in proportion with usage of the site by residents from the respective areas. This will be based on the percentage of residents from each Local Authority area and the Monthly Cost split in accordance with those percentages. This data will be obtained from joint site user surveys (clause 4.5 of this Agreement).

1.2 PCC will raise a monthly invoice (within ten working days of the beginning of each month) to NPTCBC based on the agreed share of the Monthly Cost.

1.3 NPTCBC will ensure the monthly invoice is paid in accordance with PCC payment terms, within ten days of the date of the invoice.

1.4 Any income obtained from penalties served on the Contractor (PWM) by PCC for failure to comply with the Contract will be shared equally with NPTCBC at the end of the Contract year.