

Enquiries to: Kelly Baxter
Direct Dial: 024 7637 6619
Direct Email:
member.services@nuneatonandbedworth.gov.uk
Date: 28th February, 2023

Dear Sir/Madam,

A meeting of the **CABINET** will be held in the Council Chamber, Town Hall, Nuneaton, on **Wednesday, 8th March 2023** at **6.00 p.m.**

The public can follow the decision making online:-
www.nuneatonandbedworth.gov.uk/virtual-meeting.

Please note that meetings are recorded for future broadcast.

Yours faithfully,

BRENT DAVIS

Chief Executive

To: Members of Cabinet

Councillor K. Wilson (Leader of the Council and Business and Regeneration)
Councillor C. Golby (Deputy Leader and Housing and Communities)
Councillor S. Croft (Finance and Corporate)
Councillor S. Markham (Public Services)
Councillor R. Smith (Planning and Regulation)
Councillor J. Gutteridge (Health and Environment)

Also invited:

Councillor C. Watkins (Leader of the Main Opposition Group and Observer)

AGENDA

PART I

PUBLIC BUSINESS

1. EVACUATION PROCEDURE

A fire drill is not expected, so if the alarm sounds, please evacuate the building quickly and calmly. Please use the stairs and do not use the lifts. Once out of the building, please gather outside the Lloyds Bank on the opposite side of the road.

Exit by the door by which you entered the room or by the fire exits which are clearly indicated by the standard green fire exit signs.

If you need any assistance in evacuating the building, please make yourself known to a member of staff.

Please also make sure all your mobile phones are turned off or set to silent.

I would also advise that all or part of the meeting will be live streamed and recorded for future broadcast.

2. APOLOGIES - To receive apologies for absence from the meeting.

3. DECLARATIONS OF INTEREST

To receive declarations of Disclosable Pecuniary and Other Interests, in accordance with the Members' Code of Conduct.

Declaring interests at meetings

If there is any item of business to be discussed at the meeting in which you have a disclosable pecuniary interest or non-pecuniary interest (Other Interests), you must declare the interest appropriately at the start of the meeting or as soon as you become aware that you have an interest.

Arrangements have been made for interests that are declared regularly by members to be appended to the agenda (**Page 6**). Any interest noted in the Schedule at the back of the agenda papers will be deemed to have been declared and will be minuted as such by the Committee Services Officer. As a general rule, there will, therefore, be no need for those Members to declare those interests as set out in the schedule.

There are, however, TWO EXCEPTIONS to the general rule:

1. When the interest amounts to a Disclosable Pecuniary Interest that is engaged in connection with any item on the agenda and the member feels that the interest is such that they must leave the room. Prior to leaving the room, the member must inform the meeting that they are doing so, to ensure that it is recorded in the minutes.

2. Where a dispensation has been granted to vote and/or speak on an item where there is a Disclosable Pecuniary Interest, but it is not referred to in the Schedule (where for example, the dispensation was granted by the Monitoring Officer immediately prior to the meeting). The existence and nature of the dispensation needs to be recorded in the minutes and will, therefore, have to be disclosed at an appropriate time to the meeting.

Note: Following the adoption of the new Code of Conduct, Members are reminded that they should declare the existence and nature of their personal interests at the commencement of the relevant item (or as soon as the interest becomes apparent). If that interest is a Disclosable Pecuniary or a Deemed Disclosable Pecuniary Interest, the Member must withdraw from the room.

Where a Member has a Disclosable Pecuniary Interest but has received a dispensation from Audit and Standards Committee, that Member may vote and/or speak on the matter (as the case may be) and must disclose the existence of the dispensation and any restrictions placed on it at the time the interest is declared.

Where a Member has a Deemed Disclosable Interest as defined in the Code of Conduct, the Member may address the meeting as a member of the public as set out in the Code.

Note: Council Procedure Rules require Members with Disclosable Pecuniary Interests to withdraw from the meeting unless a dispensation allows them to remain to vote and/or speak on the business giving rise to the interest.

Where a Member has a Deemed Disclosable Interest, the Council's Code of Conduct permits public speaking on the item, after which the Member is required by Council Procedure Rules to withdraw from the meeting.

4. MINUTES - To confirm the minutes of the Cabinet meeting held on the 8th February 2023 **(Page 9)**
5. PUBLIC CONSULTATION – Members of the Public will be given the opportunity to speak on specific agenda items if notice has been received.
6. PROCUREMENT AND ACCOUNTS PAYABLE STRATEGY – report of the Strategic Creditors and Procurement Manager attached. **(Page 16)**
7. GENERAL FUND REVENUE BUDGET MONITORING 2022/23 Q3 – report of the Director – Finance and Enterprise attached **(Page 30)**
8. HOUSING REVENUE ACCOUNT BUDGET MONITORING 2022/23 Q3 – report of the Director – Finance and Enterprise attached **(Page 39)**
9. CAPITAL BUDGET MONITORING 2022/23 Q3 – report of the Director – Finance and Enterprise attached **(Page 45)**
10. RESOURCE AND WASTE STRATEGY CONSULTATION a report of the Director – Public Services attached **(Page 57)**

11. RECOMMENDATIONS FROM OVERVIEW AND SCRUTINY PANELS –

None

12. ANY OTHER ITEMS - which in the opinion of the Chair of the meeting should be considered as a matter of urgency because of special circumstances (which must be specified).

13. EXCLUSION OF PUBLIC AND PRESS

RECOMMENDED that under Section 100A(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item, it being likely that there would be disclosure of exempt information of the description specified in paragraph 3 of Part I of Schedule 12A to the Act.

14. ETONE LEISURE AGREEMENT a report of the Director – Public Services

15. TOP FARM – LEISURE UPDATE a report of the Director – Public Services

Nuneaton and Bedworth Borough Council

Building A Better Borough

Nuneaton and Bedworth 2032: working in partnership, restoring pride in our borough

AIM 1: LIVE

We want to make our borough a place where our residents enjoy living and in which others choose to make their home.

Priority 1: Promote residents' health and wellbeing

Priority 2: Enable appropriate housing development

Priority 3: Sponsor a sustainable green approach

Priority 4: Prioritise community safety and empowerment

AIM 2: WORK

Using our prime location within the national road and rail networks and responding to the needs of private companies, we want to make our borough a place in which businesses choose to locate and where our residents enjoy a range of employment options.

Priority 1: Grow a strong and inclusive economy

Priority 2: Champion education and skills

Priority 3: Embrace new and emerging technology

Priority 4: Support local businesses

AIM 3: VISIT

Taking advantage of our open green spaces, our heritage, and our location within the West Midlands, we want our borough to be a vibrant destination for residents and visitors alike. A place where people and families want to spend time relaxing, socialising and taking part in leisure and cultural activities.

Priority 1: Create vibrant and diverse town centres

Priority 2: Stimulate regeneration

Priority 3: Celebrate and promote our heritage

Priority 4: Improve the physical environment

Cabinet - Schedule of Declarations of Interests – 2022/2023

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
	General dispensations granted to all members under s.33 of the Localism Act 2011			Granted to all members of the Council in the areas of: <ul style="list-style-type: none"> - Housing matters - Statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992 - An allowance, payment given to members - An indemnity given to members - Any ceremonial honour given to members - Setting council tax or a precept under the Local Government Finance Act 1992 - Planning and Licensing matters - Allotments - Local Enterprise Partnership
	S. Croft	Employed at Holland & Barrett Retail Ltd	Treasurer of the Conservative Association Member of the following Outside Bodies: <ul style="list-style-type: none"> • Champion for Safeguarding (Children and Adults) • Local Government Superannuation Scheme Consultative Board West Midlands Employers	
	C. Golby		Member of Warwickshire County Council Membership of Other Bodies: <ul style="list-style-type: none"> • Nuneaton and Bedworth Safer and Stronger Communities Partnership • Nuneaton and Bedworth Community Enterprises Ltd. • Nuneaton and Bedworth Home Improvement Agency • Safer Warwickshire Partnership Board • Warwickshire Housing and Support Partnership • Warwickshire Police and Crime Panel • George Eliot Hospital 	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			<p>NHS Trust – Public/User Board</p> <ul style="list-style-type: none"> • George Eliot Hospital NHS Foundation Trust Governors • District Leaders (substitute) • Local Enterprise Partnership (substitute) • Coventry, Warwickshire and Hinckley and Bosworth Joint Committee (substitute) 	
	J. Gutteridge		<p>Representative on the following Outside Bodies:</p> <ul style="list-style-type: none"> • Warwickshire Health and Wellbeing Board • Age UK (Warwickshire Branch) • Committee of Management of Hartshill and Nuneaton Recreation Ground • West Midlands Combined Authority Wellbeing Board <p>Member of NABCEL</p>	
	S. Markham	County Councillor – W.C.C.	<p>Governor at Ash Green School</p> <p>Member of the following Outside Bodies:</p> <ul style="list-style-type: none"> • Nuneaton and Bedworth Sports Forum • Warwickshire Direct Partnership • Warwickshire Waste Partnership • Sherbourne Asset Co Shareholder Committee 	
	R. Smith		<p>Chairman of Volunteer Friends, Bulkington; Trustee of Bulkington Sports and Social Club;</p> <p>Member of the following Outside Bodies:</p> <ul style="list-style-type: none"> • A5 Member Partnership; • PATROL (Parking and Traffic Regulation Outside of London) Joint Committee; • Building Control Partnership Steering Group • Bulkington Village Community and Conference Centre • Representative on the Nuneaton and Bedworth 	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			Older Peoples Forum <ul style="list-style-type: none"> • West Midlands Combined Authority and Land Delivery Board 	
	K.D. Wilson	Acting Delivery Manager, Nuneaton and Warwick County Courts, HMCTS, Warwickshire Justice Centre, Nuneaton	Deputy Chairman – Nuneaton Conservative Association Corporate Tenancies: properties are leased by NBBC to Nuneaton and Bedworth Community Enterprises Ltd, of which I am a Council appointed Director. Representative on the following Outside Bodies: <ul style="list-style-type: none"> • Director of Nuneaton and Bedworth Community Enterprises Ltd (NABCEL) • Coventry, Warwickshire and Hinckley & Bosworth Joint Committee • District Council Network • Local Government Association • Director of Coventry and Warwickshire Local Enterprise Partnership Ltd (CWLEP) • West Midlands Combined Authority 	

NUNEATON AND BEDWORTH BOROUGH COUNCIL

CABINET

8th February 2023

A meeting of Cabinet was held on Wednesday 8th February, 2023 in the Council Chamber which was recorded and live streamed.

Present

Councillor K. Wilson (Leader and Business and Regeneration (Chair))
Councillor C. Golby (Deputy Leader and Housing and Communities)
Councillor S. Croft (Finance and Corporate)
Councillor J. Gutteridge (Health and Environment)
Councillor S. Markham (Public Services)
Councillor R. Smith (Planning and Regulation)

CB105 Apologies

None

CB106 Declarations of Interest

RESOLVED that the Declarations of Interest for this meeting are as set out in the Schedule attached to these minutes.

CB107 Minutes

RESOLVED that the minutes of the Cabinet meeting held on 1st February 2023, be approved, and signed by the Chair.

CB108 General Fund Revenue Budget 2023/24

The Director – Finance & Enterprise submitted a report to Cabinet that presented the proposed General Fund budget for 2023/24 for approval and to update Cabinet on the General Fund Medium-Term Financial Plan taking into account the Local Government Finance Settlement for 2023/24.

RESOLVED that

- a) the forecast outturn position for the General Fund for 2022/23 be noted;
- b) the Council Tax requirement for 2023/24 of £10,039,237, an increase of 2.99% on a Band D, is recommended to Council for approval in accordance with the Local Government Finance Act 1992;
- c) the NNDR1 has been completed and submitted to the Department for Levelling Up, Housing and Communities (DLUHC) and included within the Budget for 2023/24 with a precept for Nuneaton and Bedworth Borough Council (NBBC) of £14,979,616 in 2023/24 be noted;
- d) any increases in Fees and Charges for 2023/24 (see addendum to the report for amended Appendix 4) be approved;
- e) the net General Fund revenue expenditure budget of £16,906,464 be agreed and recommended to Council for approval (Appendix 1 of the report);

- f) delegated authority be given to the Director – Regeneration & Housing and the Head of Economic Development & Communities in consultation with the Portfolio holder for Business & Regeneration to undertake procurement activities to deliver against the 2023/24 priorities set out as part of the UK Shared Prosperity Fund (UKSPF);
- g) delegated authority be given to the Director – Public Services in consultation with the Portfolio Holder for Public Services to formally accept, subject to confirmation of match funding from other relevant bodies, the award of the £750k revenue grant from Arts Council England to increase the level of cultural activity across the Borough and finalise contractor arrangements;
- h) the existing Local Council Tax Support Scheme be approved for use in the financial year 2023/24;
- i) Members' Allowances and Special Responsibility Allowances for the financial year 2023/24 not be increased; and
- j) the report be not subject to call-in due to the timescales for setting the budget and Council Tax for 2023/24 as provided for in paragraph 15(f) of the Overview and Scrutiny Procedure Rules in Part 4 of the Constitution.

Speakers:

Mr Peter Smith

Options

Accept the recommendations; or

Request further information, having regard to the legal deadlines for setting of budgets.

Reasons

To comply with the regulations

CB109 Housing Revenue Account Budget 2023/24

The Director – Finance & Enterprise submitted a report to Cabinet presenting the draft Housing Revenue Account budget for 2023/24 for consideration and submission to council for approval.

RESOLVED that

- a) the forecast outturn position for the HRA for 2022/23 be noted;
- b) the net budget of £254,232 for 2023/24 be agreed and recommended to Council for approval;
- c) a rent increase on dwellings of 6.75%.be agreed and recommended to Council for approval;
- d) the Homeless Hostel rents increase of 32% is agreed and recommended to Council for approval;

- e) Fees and Charges for the HRA (Appendix 2 of the report) be recommended to Council for approval; and
- f) the report be not subject to call-in due to the timescales for setting the budget and Council Tax for 2023/24 as provided for in paragraph 15(f) of the Overview and Scrutiny Procedure Rules in Part 4 of the Constitution.

Speakers:

Mr Peter Smith

Options

Accept the recommendation

Request further information, having regard to the legal deadlines for setting budgets

Reasons

To comply with regulations

CB110Capital Budget 2023/24

The Director – Finance & Enterprise submitted the draft General Fund and Housing Revenue Account Capital Programme for 2023/24 for consideration and submission for Council for approval. A forecast outturn for 2022/23 was also included in the report.

RESOLVED that

- a) the budget for 2023/24 be recommended to Council for approval;
- b) the forecasted capital programme for 2022/23 be noted and the amended budget be recommended to Council for approval;
- c) delegated authority be given to the Director – Housing & Regeneration to carry out procurement exercises in accordance with the Council’s Contract Procedure Rules in order to deliver the capital programme for the HRA and General Fund; and
- d) the report be marked not subject to call-in due to the timescales for setting the budget and Council Tax for 2023/24 as provided for in paragraph 15(f) of the Overview and Scrutiny Procedure Rules in Part 4 of the Constitution.

Speakers:

Mr Peter Smith

Options

To accept the recommendations

Request further information, having regard to the legal deadlines for setting of budgets

Reasons

To comply with regulations

CB111 Treasury Strategy & Budgetary Framework 2023/24

The Director – Finance & Enterprise submitted the Treasury Strategy and Budgetary Framework 2023/24 for Cabinet approval and submission to full council as per the requirement from The Local Government Act 2003 and the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice for Treasury Management in the Public Services

RESOLVED that

a) the proposed Treasury Strategy and Budgetary Framework 2023/24, as detailed in Appendix J of the report, be agreed and submitted to Full Council for approval including:

- Treasury Strategy
- Treasury and Prudential Indicators
- MRP Policy Statement
- Capital Resource Allocations

b) this report be marked not for call in on the grounds of urgency due to requiring full council approval on 13th February 2023.

Speakers

Mr Peter Smith

Options

To accept the recommendations

Request further information, having regard to the legal deadlines for setting of budgets

Reasons

To comply with regulations and CIPFA Code of Treasury Management.

CB112 Recommendations From Overview and Scrutiny Panels

None

CB113 Any Other Items

None

Chair

PUBLICATION DATE: 14TH FEBRUARY 2023

DECISIONS COME INTO FORCE: 22nd FEBRUARY 2023

Cabinet - Schedule of Declarations of Interests – 2022/2023

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	C. Golby		Member of Warwickshire County Council Membership of Other Bodies: <ul style="list-style-type: none"> • Nuneaton and Bedworth Safer and Stronger Communities Partnership • Nuneaton and Bedworth Community Enterprises Ltd. • Nuneaton and Bedworth Home Improvement Agency • Safer Warwickshire Partnership Board • Warwickshire Housing and Support Partnership • Warwickshire Police and Crime Panel • George Eliot Hospital 	

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	S. Markham		<p>County Councillor – W.C.C.</p> <p>Governor at Ash Green School</p> <p>Member of the following Outside Bodies:</p> <ul style="list-style-type: none"> • Nuneaton and Bedworth Sports Forum • Warwickshire Direct Partnership • Warwickshire Waste Partnership • Sherbourne Asset Co Shareholder Committee 	
	R. Smith		<p>Chairman of Volunteer Friends, Bulkington; Trustee of Bulkington Sports and Social Club;</p> <p>Member of the following Outside Bodies:</p> <ul style="list-style-type: none"> • A5 Member Partnership; • PATROL (Parking and Traffic Regulation Outside of London) Joint Committee; • Building Control Partnership Steering Group • Bulkington Village Community and Conference Centre 	

	Name of Councillor	Disclosable Pecuniary Interest	Other Personal Interest	Dispensation
			<ul style="list-style-type: none"> • Representative on the Nuneaton and Bedworth Older Peoples Forum • West Midlands Combined Authority and Land Delivery Board 	
	K.D. Wilson	Acting Delivery Manager, Nuneaton and Warwick County Courts, HMCTS, Warwickshire Justice Centre, Nuneaton	<p>Deputy Chairman – Nuneaton Conservative Association</p> <p>Corporate Tenancies: properties are leased by NBBC to Nuneaton and Bedworth Community Enterprises Ltd, of which I am a Council appointed Director.</p> <p>Representative on the following Outside Bodies:</p> <ul style="list-style-type: none"> • Director of Nuneaton and Bedworth Community Enterprises Ltd (NABCEL) • Coventry, Warwickshire and Hinckley & Bosworth Joint Committee • District Council Network • Local Government Association • Director of Coventry and Warwickshire Local Enterprise Partnership Ltd (CWLEP) • West Midlands Combined Authority 	

Cabinet

Report Summary Sheet

Date:

8th March 2023

Subject:

Procurement & Accounts Payable Strategy 2023 - 2027

Portfolio:

Finance and Corporate

From:

Strategic Creditors and Procurement Manager

Summary:

To seek approval of the proposed new Procurement & Accounts Payable Strategy for 2023-2027.

Recommendations:

Approve the Procurement & Accounts Payable Strategy for the 2023-2027 period.

Options:

- A) Approve the report; or
- B) Reject the report.

Reasons:

- a) The current procurement strategy expires at the end of this financial year and has been in place since 2017.
- b) The new procurement and accounts payable strategy identifies the national supply challenges faced and the importance of procurement and accounts payable within the public sector. The strategy also outlines the vision and aims of the Council, noting links with the Corporate Plan (Building a Better Borough).
- c) This strategy shall underpin guidance documentation (such as the Contract Procedure Rules (CPR's)), processes within the function and across each

<p>Directorate to assist in the achievement of the key themes and aims set out in the strategy.</p>
<p>Consultation undertaken with Members/Officers/Stakeholders Finance & Public Service Overview and Scrutiny Panel (26th January 2023) Portfolio Holder - Finance and Corporate All Senior Managers, Heads of Service and Directors at the Council Equalities and Safeguarding Officer</p>
<p>Subject to call-in: Yes</p>
<p>Ward relevance: Boroughwide</p>
<p>Forward plan: Yes</p>
<p>Building a Better Borough Aim: Work</p>
<p>Building a Better Borough Priority: 4</p>
<p>Relevant statutes or policy: Public Contract Regulations 2015 Concession Contract Regulations 2016 National Procurement Strategy – England (Local Government Association) National Procurement Policy Statement Contract Procedure Rules (CPR's)</p>
<p>Equalities Implications: None identified.</p>
<p>Human resources implications: Not applicable.</p>
<p>Financial implications: None identified but this strategy will support the Council in the delivery and achievement of value for money.</p>

Health Inequalities Implications:

Not applicable.

Section 17 Crime & Disorder Implications:

Not applicable.

Risk management implications:

This strategy shapes the Borough Councils procurement and accounts payable processes.

Environmental implications:

None identified but this strategy will assist, where proportionate, relevant and economically prudent, the Council in the delivery and achievement of environmental improvements throughout the supply chain.

Legal implications:

This strategy will help mitigate non-compliance with the relevant legislation, statues and policies.

Contact details:

Strategic Creditors and Procurement Manager

Mr Matthew Wallbank

024 7637 6258

AGENDA ITEM NO. 6

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Cabinet - 8th March 2023

From: Strategic Creditors and Procurement Manager

Subject: Procurement & Accounts Payable Strategy 2023 - 2027

Portfolio: Finance and Corporate - Councillor S.Croft

Building a Better Borough Aim: Work

Building a Better Borough Priority: 4

1. Purpose of Report

- 1.1. To seek approval of the proposed new Procurement & Accounts Payable Strategy for 2023-2027.

2. Recommendations

- 2.1. Approve the Procurement & Accounts Payable Strategy for the 2023-2027 period.

3. Background

- 3.1. Procurement & Accounts Payable is a strategic function at the Council with a primary objective to deliver goods, services and works necessary to accomplish corporate objectives in a timely, compliant, economical and efficient manner. Furthermore, the function has the ability to achieve broader policy objectives (e.g. removing waste/increasing efficiency, promoting innovation, sustainability, social inclusiveness, and supporting small and medium-sized enterprises (SMEs)). Effective procurement is critically important for local government due to cost pressures, increasing demand for public services and decreasing resources. The Council is driven to improve productivity and efficiency to deliver better outcomes for local people.
- 3.2. The current procurement strategy expires at the end of this financial year and has been in place since 2017.
- 3.3. The new procurement and accounts payable strategy identifies the national supply challenges faced and the importance of procurement and accounts payable within the public sector. The strategy also outlines the vision and aims of the Council, noting links with the Corporate Plan (Building a Better Borough).

- 3.4. This strategy shall underpin guidance documentation (such as the Contract Procedure Rules (CPR's)), processes within the function and across each Directorate to assist in the achievement of the key themes and aims set out in the strategy.
- 3.5. For the avoidance of any doubt, this report does not cover the Contract Procedure Rules (CPR's). For your information, following the announcement of the Procurement Bill which is due to be introduced later this calendar year, the Council will be updating the CPRs to reflect this strategy and the new legislation.
- 3.6. The Strategy appended at Appendix A has been recommended for approval by the Finance & Public Service Overview and Scrutiny Panel (OSP) on 26th January 2023 and thus recommended to Cabinet for approval and adoption.

4. Body of Report

The strategy includes five (5) key themes:

1. Compliance
2. Strategic Procurement &
3. Value for Money
4. Collaboration
5. Social Value

Please see Appendix A which sets out the context and strategic aims of the Council via its procurement activity.

5. Appendices

Appended to this paper.

Appendix A – Procurement & Accounts Payable Strategy.

6. Background Papers (if none, state none)

26th January 2022 – Finance & Public Services Overview and Scrutiny Panel – Agenda Item 8:

- The report; and
- Meeting minutes.

Nuneaton & Bedworth



Procurement & Accounts Payable Strategy 2023 - 2027

Foreword

The UK and Local Government landscape continues to face uncertain economic challenges adding additional pressure to services and the supply chain. Furthermore, the Public Procurement Regulatory framework is changing with new regulations predicted to come into force in 2023. That said, the Council is determined to meet the challenges head on by working innovatively to realise its ambition to Build a Better Borough.

This sixth iteration of the Council's Procurement Strategy aspires to build and develop on performance obtained under previous procurement strategies. Additionally, this strategy incorporates aspects of Accounts Payable as well as the National Procurement Strategy for Local Government in England.

Procurement is a strategic activity across the organisation helping to ensure compliance, value for money and effective delivery whilst achieving additional benefits such as efficiency, reduced waste and generating social value. The Council wishes to obtain and deliver social value throughout its supply chain such as unleashing opportunities for small and local businesses, charities, social enterprises and the wider society it serves.

This strategy has been designed to do that by focusing on 5 key themes:

1. Compliance

2. Strategic Procurement & Purchasing

3. Value for Money

4. Collaboration

5. Social Value

Procurement Vision

The key delivery aims will help to address the following challenges:

- Ensure procurement is undertaken at the right level with the right people and relevant training.
- Use technology and in particular eProcurement to support organisational and behavioural change.
- Make procurement a key management activity.
- Involve Elected Members in the procurement strategy so they provide leadership in embedding procurement excellence into the culture of the Council.
- Comply with all legislation relating to procurement activity and prepare for an effective transition to the new UK Public Procurement regime when introduced.
- Develop partners and partnership working.
- Stimulate markets and the local economy to be able to procure from a diverse and competitive range of suppliers including minority businesses, voluntary and community sector groups and SME's. This also extends to Tier 1 and high Tier 2 Contractors/Suppliers who shall be involved in the delivery of the Council regeneration plans.
- Develop a contracts database covering recurrent procurement activity in the form of pipelines for effective planning.
- Enhance existing guidance and support offered to officers on procurement process/contract management.
- Provide strategic procurement advice to major projects.
- Provide procurement training for Elected Members, Officers and Suppliers.

Background

Procurement and Accounts Payable is an essential element of delivering cost effective efficient services and Social Value. It impacts on a range of stakeholders, including Elected Members, management team, staff, the public, suppliers and partners.

Procurement embraces the whole of the supply chain and commissioning cycle from identifying need, to contract management and monitoring. Key to the success of this strategy is delivering the Council's procurement and accounts payable function at a strategic level and optimising the advantages of a corporate approach to supply chain management and the wider social environment. This means that in the future the Council will work with its partners to engage in supplier and market development and packaging of contracts to ensure the most effective purchase is made. This strategy seeks to provide clear direction and a coordinated strategic approach that avoids duplication or increased bureaucracy, interfaces with the Corporate Strategy and delivers improvements to our procurement process for the period 2023–2027.

Procurement is a critical process for ensuring the Council meets the needs of the community. The public do not distinguish between in-house services and those provided by contractors. Poor procurement can lead to a loss of confidence by the public in our ability to deliver excellent public services.

Nuneaton & Bedworth Borough Council currently spends approximately £41m¹ per year on procurement of supplies, services and works, using around 900 suppliers. The council is continually improving its procurement processes and procedures to achieve maximum efficiency. Furthermore, the Council pays approximately 21,000¹ invoices as a result of the procurement of goods, services and works which flow through the Accounts Payable team for processing.

Our operating principles are to:

- Ensure Procurement is conducted within UK legislation and is compliant.
- Provide services that represent good value for money not only to internal and external stakeholders but also throughout our supply chain.
- Identify best practice in procurement and accounts payable to challenge current methods.
- Maximise, where proportionate, social value.
- Be open to and seek opportunities for partnership or collaborative work with other authorities, the private and third sector.
- Deliver efficiency savings both cashable and non-cashable.

¹ Creditors & Procurement Annual Performance Report 2021/2022

Theme 1 – Compliance

Outcomes Sought:

- Ensure the Council's reputation is maintained.
- Council staff and members are aware of relevant legislation and have access to compliant documents, efficient processes and sound advice.
- Manage the risk of legal challenges and fines.

Given the UK has departed from the EU and is set to implement its own set of procurement regulations, the principles remain unchanged and therefore the risk of exposure for failing to comply remains high. The Green Paper and the Procurement Bill is in circulation in 2022 which aims for greater transparency in public sector procurement which the Council aims to be ahead of prior to legislative changes. Primarily, the Council has a duty to ensure compliance with all regulations and legislative requirements and procurement is no different. As far as reasonably possible, the Procurement and Accounts Payable Team is required to protect the Council from legal challenge to ensure the reputation of the Council isn't damaged but to also limit any risk of fines due to non-compliance. The regulations and legislative requirements provide a basis to implement best practice throughout the procurement cycle and should therefore be viewed as an opportunity for the council to obtain maximum value in its procurement and service delivery.

The Procurement and Accounts Payable Team shall continually review the Council's procurement practices and procedures to ensure compliance with existing and developing legislation. An appropriate level of central professional procurement resource and knowledge will also be maintained within the Council to help ensure outcomes are delivered as set out in this strategy. This also mitigates risk by protecting the Council's finances.

In addition to the above and as a public sector body, the Council has a duty to support its supply chain by implementing prompt payment procedures to limit exposure of late payment charges. The Accounts Payable function, therefore, seeks to limit any risk associated with late payment fines protecting the Council and its finances.

Theme 2 - Strategic Procurement & Purchasing

Outcomes Sought:

- eProcurement – use of technology for efficiency and effectiveness:
 - *e-tendering*
 - *Purchase to Pay (P-2-P) and associated electronic functionality*
 - *Central contracts database for improved transparency and planning*
- Application of Category Management from data analysis and aggregate spend internally and with collaboration partners.
- Uphold Governance standards via management information allowing for better financial management, budgeting, transparency reporting and decision making.
- Devolve Council policy to external bodies through supply contracts.
- Continue to implement innovative procurement and accounts payable practices.
- Showing leadership via engagement with partners, strategic suppliers, Elected Members, Senior Officers and Managers.
- Behaving commercially to extract value and identify new opportunities, including possible income generation activities.
- Prioritising corporate requirements, while addressing any long-term risks, maximising cost savings, and ensuring processes are efficient and effective.

Strategic procurement takes place where there is high risk/high value of spend for the Council and where it is crucial in supporting the Corporate Plan (Building a Better Borough). In this area it is important to be concentrating on building excellent working relationships with the supply chain and collaborative partners with a view to driving down costs without attempting to reduce profit margins to maintain sustainability. This involves looking across service boundaries to identify synergies and opportunities for improving the economy, efficiency and effectiveness. Supplier rationalisation and spend aggregation will allow buying power to be refocused with the resultant benefits of increased leverage, better processes, potential for reduction in numbers of transactions and better value for money being achieved. Furthermore, this strategy aims to build on the status of Procurement and Accounts Payable throughout the Council to assist with the delivery of both statutory and non-statutory functions. The use of eProcurement has and will continue to facilitate the deployment of the strategy in an efficient and effective manner whilst linking into value for money and compliance. The Procurement team will continue to support SME's in use of these systems to ensure inclusiveness.

Theme 3 - Value for Money

Outcomes Sought:

- Seek the correct balance of quality, effectiveness and price for Council services.
- Continue to improve the efficiency and effectiveness of services delivered across the Council portfolio's.
- Improved supplier service to end user through effective contract management activities.
- Drive down procurement and accounts payable costs whilst obtaining value for money by reducing waste and implementing lean processes.
- Use of innovative eProcurement tools.
- To increase savings, maximise efficiency, and reduce risks.

The principle of delivering value for money remains a key principle for the procurement and accounts payable service as it is of paramount importance for the delivery of the Councils objectives and the residents it serves. Achieving value for money in public procurement remains key to securing from suppliers the best mix of quality and effectiveness to deliver the requirements for the least outlay over the period of use of the requirements bought. Therefore, the Council sets a clear framework that it is not bound to select the lowest price but instead it shall take a broad view of value for money that captures operational delivery, quality, effectiveness and social value. Therefore, creating efficiency, reducing waste and releasing resource, outlines a vision for the Council to harness opportunities available to deliver measurable efficiency improvements and deliver value for money. Additionally, unleashing opportunities for small businesses, charities and social enterprises to innovate in public service delivery remains crucial for delivering social value in local economies.

Theme 4 - Collaboration

Outcomes Sought:

- Actively seek and participate in Shared Services, Partnerships and Public Sector networks both regionally and nationally.
- Encourage the use of collaboration where value for money and service requirements can be improved.
- Establish links to public sector framework agreement providers.
- Working proactively with procurement and accounts payable system providers to enhance eProcurement.
- Reducing the administrative burden for suppliers, particularly SME's, to compete and bid for the provision of council services, goods and works.

The opportunities identified within this strategy become even more powerful when shared with partners, shared services, regional and national public sector bodies. We are actively collaborating within the Warwickshire sub region and exploring working in various ways with other public bodies to combine our buying power and procure goods, works or services jointly. Major benefits we have realised are economies of scale, accelerated learning and reduced sourcing activity. The Council will encourage the development of new methods or approaches to procurement that will deliver services efficiently, effectively and economically.

Theme 5 - Social Value

Outcomes Sought:

- Consider and where appropriate, maximise social value by encouraging the local and wider economy to stimulate economic, social and environmental development:
 - *creating new businesses, new jobs and new skills*
 - *reducing waste*
 - *improving supplier diversity, innovation and resilience*
 - *aim to pay over 70% of invoices to SME's within 10 days*
- Develop and enhance links to organisations such as the Federation of Small Businesses (FSB), Voluntary, Community and Social Enterprise organisations (VCSE) and Federation of Master Builders (FMB) to help identify best practice and reduce barriers to trade.

Public Sector Procurement has placed social value as a key priority and year on year contracting authorities place more emphasis on delivering social value throughout their supply chain. Following the devastating impact of Coronavirus, delivering social value outcomes both regionally and nationally has never been so important. Procurement and Accounts Payable can play a huge part in enhancing the profile of social value as outlined in the National Procurement Policy Statement². The Council has placed a particular focus on supporting local economies and consideration of the Social Value Act 2012. Procurement has been innovative in its approach to this aim and will continue to develop strategic and tactical mechanisms to encourage economic regeneration. Improving access and visibility to trading opportunities and reducing the administrative burden are vital in attracting SME/VCSE organisations. Accounts Payable and prompt payment is critical in the support of supplier sustainability and cashflow security and remains a key activity for the Council to maintain its payment performance.

² [Procurement Policy Note 05/21](#)

Cabinet/Individual Cabinet Member Decision

Report Summary Sheet

Date : 8th March 2023

Subject: General Fund Budget Monitoring 2022/23

Portfolio: Finance and Corporate (Councillor S. Croft)

From: Director – Finance & Enterprise

Summary:

To give an update on the financial performance of the General Fund and anticipated outturn position.

Recommendations:

That the forecast outturn position for the General Fund for 2022/23 be noted, with consideration given to key variances.

That the proposed fees and charges from 1st April for the Museum listed in Appendix 1 are approved.

Options:

To accept the report or request further information on the forecast outturn position.

Reasons:

The Council is required to achieve a balanced budget each year.

Consultation undertaken with Members/Officers/Stakeholders

Finance Officers, Portfolio Holder and Directors

Subject to call-in:

Yes

Ward relevance:

None directly.

Forward plan:

Yes

Building a Better Borough Aim:

Work

Building a Better Borough Priority:

Grow a strong and inclusive economy

Relevant statutes or policy:

Local Government Finance Act 1992

Equalities Implications:

None

Human resources implications:

None

Financial implications:

Detailed in the report.

Health Inequalities Implications:

None

Section 17 Crime & Disorder Implications:

None

Risk management implications:

The Council analyses risks as part of the budget setting process and ensures an appropriate level of reserves are in place.

Environmental implications:

None

Legal implications:

To achieve a balanced budget each year.

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AGENDA ITEM NO.7

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Cabinet - 8th March 2023

From: Director of Finance & Enterprise

Subject: General Fund Budget Monitoring

Portfolio: Finance & Corporate (Councillor S Croft)

Building a Better Borough Aim: Work

Building a Better Borough Priority: Grow a strong and inclusive economy

1. Purpose of Report

1.1 To present the forecast revenue outturn position for the General Fund as at 31st January 2023 unless otherwise stated in the report.

2. Recommendations

2.1 That the forecast outturn position for the General Fund for 2022/23 be noted, with consideration given to key variances.

2.2 That the proposed fees and charges from 1st April for the Museum listed in Appendix 1 are approved.

3. Background

3.1 The General Fund and Housing Revenue Account (HRA) revenue and capital budgets for 2022/23 were approved by Cabinet and Council in February 2022. This report is a detailed update of performance against the General Fund revenue budget as at January 2023.

3.2 This report considers the spend pressures that may be coming to the forefront and whether income projections are on target.

4. Body of Report

4.1 Apart from Council housing, day-to-day revenue income and expenditure for Council services is accounted for through the General Fund. The net expenditure is financed through the Council's Core Spending Power which includes Council Tax, Retained Business Rates and other general Government Grants.

- 4.2 The revenue budget for 2022/23 was set as a net expenditure of £13,178,460 with core income and reserve contributions expected of £13,180,244 resulting in a surplus of £1,784 which included assumptions for inflation and a pay award. Unfortunately, due to the current economic climate which couldn't be foreseen, these assumptions were underestimated. The Council is currently predicting a deficit of £903,108 which results in an overall overspend of £904,892.
- 4.3 If the additional cost / reduction in income is not mitigated throughout the year, a transfer from earmarked reserves to cover the deficit will be required.
- 4.4 A summary of the Council's budget and forecasted expenditure is contained in the following table.

	Forecast £	Approved Budget £	Variance £
Business & Regeneration	2,007,769	1,426,800	580,969
Finance & Corporate	4,497,137	4,058,860	438,277
Health & Environment	3,067,488	3,015,560	51,928
Housing & Communities	1,519,223	1,177,030	342,193
Planning & Regulation	-616,206	-391,180	-225,026
Public Services	7,869,328	8,103,230	-233,902
Central Services	297,353	0	297,353
Portfolio Total	18,642,092	17,390,300	1,251,792
Other Operating Costs/Income	-4,558,740	-4,211,840	-346,900
Core Funding	-13,180,244	-13,180,244	0
Total Surplus / Deficit	903,108	-1,784	904,892

- 4.5 The key variances are included below with commentary:

	£'000
Investment Income	-347
Net Income Increase (paragraph 4.17 to 4.21)	-165
Grant Income	-98
Software Costs	24
Additional Refuse Bins	57
Town Hall	59
Legal / Court Fees	82
Inflationary Pressures	86
Audit Costs	97
Staffing Costs	531
Homelessness / HB Subsidy Losses	582
Other Minor Variances	-3
	905

- 4.6 The pay award is included within the Portfolio cost base. The cost of agency and savings through vacancies is resulting in an estimated increase in cost of approximately £531k.
- 4.7 Small changes to Housing Benefit subsidy can have a significant impact on the Council due to the size of the budget. Losses in subsidy are mainly due to the cost of housing homeless individuals that cannot be fully recovered. This is a concern area and teams within Housing, Finance and Housing Benefit work closely to mitigate losses as much as is possible.
- 4.8 The Council did budget prudently for higher levels of inflation on contracts and utilities however due to the current economic climate, estimates are suggesting a pressure of approximately £86k.
- 4.9 Income for the cost of collection for Council Tax and Legal fees for debt recovery is included within the budget each year and is currently lower than anticipated. The debt recovery process and referral of debt to court is currently under review.
- 4.10 Audit fees are higher due to the delay on completion of the 2020/21 Statement of Accounts (£75k) plus additional testing required for the Housing Benefit Subsidy Claim audit (£22k).
- 4.11 Delay in renting the top floor of the Town Hall plus cleaning and other smaller operational are resulting in additional pressure of £59k.
- 4.12 Due to growth of the Borough and the requirement for additional refuse receptacles, an increased cost of £57k is being seen. This will hopefully be mitigated in 2023/24 with the introduction of the charge to developers and individuals for waste receptacles.
- 4.13 Licencing and software maintenance costs have increased due to inflationary pressures but have been partially mitigated by reductions on spend for upgrades and a lower cost of network charges.

Income

- 4.14 Investment income is higher than budgeted due to slippage on the capital programme resulting in higher cash balances on deposit plus an increase in interest rates.
- 4.15 Additional grant income through New Burdens and Homelessness has been received and is providing some support against the losses in subsidy.
- 4.16 The net increases in income are as a result of a number of factors listed in paragraphs 4.17 to 4.21.

- 4.17 Early termination of the lease with the NHS to utilise the Civic Hall as a vaccination centre has resulted in an expected pressure due to loss of income and overheads now transferred to the Council (£40k).
- 4.18 Car parking income has not returned to the levels seen prior to the pandemic and with closure to Abbey Street due to the regeneration plan, car parking has not increased at the level assumed in other areas. A reduction has also been seen in parking fines and season passes. The loss expected is approximately £463k.
- 4.19 Commercial property income is seeing a loss in year due to vacant properties (£33k).
- 4.20 Increases in income for recycling due to the contract with Coventry City Council is proving beneficial in year by approximately £379k. It has however been indicated that a charge for in year increases in costs is due to be forwarded to the Council although final confirmation is still to be seen. The forecasted outturn has been updated to include this.
- 4.21 Planning fee income is performing well against budget and due to some recent larger applications, a favourable variance of £322k is expected by the year-end.

5. Fees and Charges

- 5.1 As part of the budget process in February 2023, included within the schedule to Council of fees, the Museum school led tours were listed as 'under review'.
- 5.2 The proposed fees to be charged in 2023/24 is attached at Appendix 1 and has been clarified in advance with the Portfolio holder.
- 5.3 The remaining fees as listed in the Corrigendum to Council in February 2023 are unaltered.

6. Conclusion

- 6.1 The financial impact of the pandemic is still being felt by the Council and officers need to ensure that only necessary and essential costs are undertaken. Spend pressures as a result of the cost of living and inflation are not set to reduce.
- 6.2 The Council is required to set a balanced budget and will not remain financially sustainable into the medium-term with predicted deficits at the level currently seen.

7. Appendices
- 7.1 Appendix 1 - Museum Fees and Charges Proposal
8. Background Papers
- 8.1 General Fund and HRA Budget Setting Report – Cabinet and Council February 2022.

APPENDIX 1

	Approved Fee 2022/23 £	Proposed Fee 2023/24 £
School visits no museum support	0.00	Deleted
School visits led by external contractors	60.00	Deleted
Led school session inside museum operating hours	0.00	105.00
Non led school session inside museum operating hours	0.00	0.00
Non led school session outside museum operating hours	0.00	65.00



Cabinet/Individual Cabinet Member Decision

Report Summary Sheet

Date : 8th March 2023

Subject: Housing Revenue Account Budget Monitoring 2022/23

Portfolio: Finance and Corporate (Councillor S. Croft)

From: Director – Finance & Enterprise

Summary:

To give an update on the financial performance of the Housing Revenue Account and anticipated outturn position.

Recommendations:

That the forecast outturn position and key variances are noted.

Options:

To accept the report or request further information on the forecast outturn position.

Reasons:

The Council is required to achieve a balanced budget each year.

Consultation undertaken with Members/Officers/Stakeholders

Finance Officers, Portfolio Holder and Directors

Subject to call-in:

Yes

Ward relevance:

None directly.

Forward plan:

Yes

Building a Better Borough Aim:

Work

Building a Better Borough Priority:

Grow a strong and inclusive economy

Relevant statutes or policy:

Local Government Finance Act 1992

Equalities Implications:

None

Human resources implications:

None

Financial implications:

Detailed in the report.

Health Inequalities Implications:

None

Section 17 Crime & Disorder Implications:

None

Risk management implications:

The Council analyses risks as part of the budget setting process and ensures an appropriate level of reserves are in place.

Environmental implications:

None

Legal implications:

To achieve a balanced budget each year.

Contact details:

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AGENDA ITEM NO. 8

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Cabinet - 8th March 2023

From: Director of Finance & Enterprise

Subject: Housing Revenue Account Budget Monitoring

Portfolio: Finance & Corporate (Councillor S Croft)

Building a Better Borough Aim: Work

Building a Better Borough Priority: Grow a strong and inclusive economy

1. Purpose of Report

1.1 To present the forecast revenue outturn position for the Housing Revenue Account (HRA) to January 2023.

2. Recommendations

2.1 That the forecast outturn position for the HRA for 2022/23 be noted, with consideration given to key variances.

3. Background

3.1 The General Fund and HRA revenue and capital budgets for 2022/23 were approved by Cabinet and Council in February 2022. This report is a detailed update of performance against the HRA revenue budget as at January 2023.

3.2 This report considers any spend pressures and any potential risks to rental income levels.

4. Body of Report

4.1 The Council is required to account separately for income and expenditure in providing council housing.

4.2 The revenue budget for 2022/23 was set as a net expenditure of £1,286,900 which included assumptions for inflation and a pay award. Although these assumptions were underestimated, reductions in costs and prudent budgeting in income has meant the Council is currently predicting net expenditure of £511,604, an underspend of £775,296.

- 4.3 A summary of the Council's budget and forecasted expenditure is contained in the following table.

	Forecast £	Approved Budget £	Variance £
Income	-27,933,982	-26,949,520	-984,462
Supervision & Management	9,497,558	9,964,840	-467,282
Repairs & Maintenance	6,100,026	5,580,760	519,266
Capital Financing Costs	10,669,200	10,669,200	0
Appropriations	2,021,620	2,021,620	0
Other Operating Costs/Income	157,182	0	157,182
Total	511,604	1,286,900	-775,296

- 4.5 The key variances are included below with commentary:

	£'000
Dwelling Rents	-974
Staffing Costs	-365
Consultancy Costs	-139
Legal and Court Fees	-53
Council Tax Charges	110
Support Services	157
Contractor Costs and Materials	492
Other Minor Variances	-3
	-775

Spend Pressures

- 4.7 Support service costs consist of interim staffing support in Finance and S151 cover, pay award central costs plus delays to restructures (£97k) which is offset by savings in salary costs. Savings predicted for leasing areas of the Town Hall has not yet progressed (£25k) and increased costs for software licensing have been seen after upgrades (£35k). These pressures will be recharged to individual service areas prior to year-end.
- 4.8 Material costs and expenditure incurred by contractors is currently at a higher level than expected due to the increased cost of materials. The impact to the HRA is being kept under close review by the Director for Housing and Regeneration.
- 4.9 Void dwellings are chargeable for Council Tax and a review of the void turnaround times and resultant costs has been undertaken as part of the budget for 2023/24.

Savings

- 4.10 The HRA is making significant savings on staffing and consultancy costs. There is a small level of agency support, but this is more than offset by vacancy savings.
- 4.11 Rental income has had a thorough review and due to prudent budgeting for 2022/23, is expected to be favourable by the year-end.
- 4.12 A delay to transfer of debt to court has resulted in a saving to costs incurred. The debt position is currently being assessed and any overdue accounts will be prioritised for recovery.

5. Conclusion

- 5.1 Spend pressures as a result of the cost of living and inflation are affecting the day-to-day operation of the HRA and are not set to reduce.
- 5.2 The HRA is in a stable position financially and the increased income in year will help offset the cost pressures seen due to inflation and cost of living.

6. Appendices

- 6.1 None

7. Background Papers (if none, state none)

- 7.1 None.

Cabinet/Individual Cabinet Member Decision

Report Summary Sheet

Date:	8th March 2023
Subject:	Capital Monitoring 2022/23
Portfolio:	Finance & Corporate
From:	Director of Finance & Enterprise

<p>Summary:</p> <p>To update on the Council's forecasted outturn position on capital expenditure for both the General Fund and Housing Revenue Account (HRA).</p>
<p>Recommendations:</p> <ul style="list-style-type: none"> • To consider the forecasted capital outturn position for 2022/23 for the General Fund and HRA. • To note the addition of five new project budgets on the General Fund as detailed in the report and recommend to Council for approval
<p>Options:</p> <p>To accept the report or request further information.</p>
<p>Reasons:</p> <p>To comply with regulations.</p>
<p>Consultation undertaken with Members/Officers/Stakeholders</p>

Finance officers, Management Team and Portfolio holder

Subject to call-in: Yes

Ward relevance: All

Forward plan: Yes

Building a Better Borough Aim:
Work

Building a Better Borough Priority:
Grow a strong and inclusive economy

Relevant statutes or policy:
Local Government Finance Act 1992

Equalities Implications:
None

Human resources implications:
None

Financial implications:
As detailed within the report.

Health Inequalities Implications:
None

Section 17 Crime & Disorder Implications:

None

Risk management implications:

Risk analysis is completed as part of the budget setting process and reserves are in place to support.

Environmental implications:

None

Legal implications:

None

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AGENDA ITEM NO.9

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: Cabinet 8th March 2023
From: Director - Finance & Enterprise
Subject: Capital Monitoring 2022/23
Portfolio: Finance & Corporate (Councillor S Croft)

Building a Better Borough Aim: Work

Building a Better Borough Priority: Grow a Strong & Inclusive Economy

1.0 Purpose of Report

1.1 To update on the Council's forecasted outturn position on capital expenditure for both the General Fund and Housing Revenue Account (HRA).

2.0 Recommendations

2.1 To note the forecasted capital outturn position for 2022/23 for the General Fund and HRA.

2.2 To agree the addition of five new project budgets on the General Fund as detailed in the report and recommend to Council for approval.

3.0 Background

3.1 Nuneaton and Bedworth Borough Council has a large capital programme to provide community value and improve facilities. The outturn position for 2022/23 updates on how the programme is progressing.

3.2 The report presents detail forecast as at end January 2023.

4. Detail

4.1 The Council's capital programme covers many projects for both the General Fund and Housing Revenue Account.

4.2 General Fund projects are developed in line with strategies reported to Cabinet/Council and are funded through Section 106 developer contributions, grant funding (from the Government and other external

providers), internal and external borrowing plus capital receipts generated through asset sales.

- 4.3 HRA projects are mainly for refurbishment of council houses, disabled adaptations to council housing plus new build. They are funded from HRA reserves, capital receipts from Right to Buy plus grant income.
- 4.4 The capital budget for 2022/23 of £61,597,696 was approved in February 2022 at Council with an updated budget position reported of £65,305,570 to Cabinet in September 2022. A further update to the budget is proposed for five additional fully funded projects totalling £517k. Detail is included at paragraph 4.9.
- 4.5 A summary of the General Fund and HRA forecasted expenditure versus budget is below alongside financing of the programme with further detail included in Appendix 1.

EXPENDITURE	2022/23 Budget £'000	2022/23 Outturn £'000	2022/23 Variance £'000
Business & Regeneration	49,276	12,291	-36,985
Finance & Corporate	632	507	-125
Housing & Communities	6,520	6,241	-279
Public Services	9,128	3,709	-5,419
Planning & Regulation	67	67	0
Health & Environment	100	0	-100
Miscellaneous Projects	100	0	-100
GENERAL FUND	65,823	22,815	-43,008
HRA	25,119	17,886	-7,233
TOTAL	90,942	40,701	-50,241

FUNDING	2022/23 Budget £'000	2022/23 Outturn £'000	2022/23 Variance £'000
Earmarked Reserves	5,667	4,260	-1,407
Grants & Contributions	27,079	17,900	-9,179
Capital Reserves	5,270	1,473	-3,797
Borrowing	43,841	8,054	-35,787
Major Repairs Reserve	8,724	8,724	0
S106	146	75	-71
	90,727	40,486	-50,241

General Fund

- 4.6 The 2022/23 budget for the capital programme was updated in September 2022 to include carry forward of underspends from 2021/22.
- 4.7 Projects are projected to underspend by £43.01m on the General Fund and £7.23m on the HRA. This will be monitored with carry forwards

being requested if required as part of the final outturn report in July 2023.

4.8 The key projected underspends on the General Fund are detailed below:

- Bridge to Living – the tender exercise has now concluded but a delay has been seen due to additional requirements from Planning and the Environment Agency. Works on site are expected to progress more slowly than initially forecast and therefore the spend in 2022/23 will be closer to £1.0m. This is a potential underspend in year of £6.7m that will need to be reprofiled into 2023/24.
- Bedworth Physical Activity Hub – a tender exercise has concluded for this project with the final cost in the region of £6.5m more than budgeted. Due to this, the project has been paused whilst additional funding is sought. It is expected that an underspend in year of £5.0m is likely and will need reprofiling into 2023/24.
- Abbey Street – the project is now underway after launch on 14th February and has been officially named Grayson Place. The budget in year was ambitious and is likely to underspend by around £29.6m. Any underspend however will be reprofiled into 2023/24.
- Flood Alleviation – this project is being led by Warwickshire County Council. The scheme has come back significantly higher cost after conclusion of the tender and so is currently being remodelled by the County. This project will not commence in 2022/23 and will be reprofiled into 2023/24.
- Vehicle Replacements – after review of the current requirement for vehicles, the programme of replacement has been updated to only require one vehicle in 2022/23. An underspend of £0.3m is expected and this will be carried forward into future years to fund replacements in line with the replacement programme.
- Homeless Hostel Conversion – the project has funding secured of £0.2m which will not be enough to progress, and additional funding is being sourced. This project is unlikely to be started during 2022/23.

Additional Projects

4.9 During 2022/23, projects have been started that were not originally included as part of the budget setting process in February 2022. The projects are fully funded, have now been added to the capital programme and are detailed below.

- Safer Streets – Home Office funding has been received to purchase mobile CCTV cameras and to improve gates and fencing at Stubbs Pool to aid community safety at a cost of £92k in year.

- UKSPF – £311k is forecast for to cover the removal of the Lilypad Fountain (£35k), anti-vandalism measures at Ropewalk and Harefield carparks (£56k), lift works at the Museum (£150k), community safety projects (£40k), public announcement improvements at Pingles Stadium (£5k) and investment in BMX lighting provision (£25k). Due to the limited time available to progress projects, the public announcement and BMX works have been approved under delegated authority of the Chief Executive on 24th February.
 - Play Area Improvement and Renewal – approved as a revenue budget in 2022/23 but is capital in nature and a contribution of £50k from revenue will be made in year. An additional sum of £11k is to be utilised from S106.
 - Buttermere Recreation Ground – approved at Cabinet to spend £449k over a two-year period and is solely funded by S106 contributions.
 - Stockingford Community Centre – as part of the approval to transfer ownership of Community Centres to the community, £25k is due to be paid to Stockingford in year to support with major repairs.
- 4.10 The progress of all projects will be monitored during the year with the final outturn and carry forward of budgets reported in July 2023 to Cabinet and Council.

HRA

- 4.11 The capital budget for the HRA was approved as £22,938,120 in February 2022 but an updated budget position was reported to Cabinet in September 2022 of £25,119,120 to include carry forwards of underspends from 2022/23.
- 4.12 Management of the HRA capital programme is based on scheduled works and progression of new build and acquisition targets. The budget as a whole is utilised by need of the customer and the most efficient use of resources to ensure value for money and will therefore fluctuate against the initial forecasted expenditure by line in any one year.
- 4.13 A thorough review of the Business Plan is to be undertaken in the summer which may alter the profile and priority of projects.
- 4.14 There are three main underspend areas expected but all budgets will be profiled into future years.
- New Build and Acquisition – projects have not progressed as quickly as anticipated but will be considered as part of the full Business Plan review.

- Vehicle Replacement – the specification and is complete and approved but lead in time from order to delivery is extended and will push this expenditure into 2023/24.
- Concrete Repairs / Cladding – work has progressed at an expected cost of £4.2m in year but £1m is likely to be spent early in 2023/24. This is funded by the HRA reserves but also through grant funding.

Capital Reserves

- 4.15 Reserves are held by the Council for capital purposes either generated through sales of assets, setting aside sums from underspends and receipts of grants for capital purposes.
- 4.16 The Council's capital reserve position at the end of March 2022 is as follows.

	2021/22
	£
Capital Receipts	545,282
Capital Earmarked Sums	2,999,881
Capital Grants	5,776,950
General Fund	9,322,113
Capital Receipts	486,610
1-4-1 Receipts	1,449,507
Capital Earmarked Sums	4,062,534
Major Repairs Reserve	932
HRA	5,999,583
Capital Resources	<u>15,321,696</u>

- 4.17 Capital reserves are allocated against specific projects with no residual unallocated amount available. This poses risks to any movement in the projected capital expenditure as there is nothing available to cover any fluctuations in expenditure.

5. Conclusion

- 5.1 The capital programme is fully funded in its present form and there is expected to be slippage on projects in 2022/23. The biggest risk to the Council at this stage is the current economic landscape with soaring inflation and price increases for building supplies. Some of the capital projects are in the process of a tender exercise. Although contingencies are built into the projections, as has been seen, they may not be high enough once final submissions are reviewed.

5.2 At this stage, only one of the projects is known to have resulted in a larger cost through tender than included in the budget and this project has been paused while additional funding is sought.

6. Appendices

6.1 Appendix 1 – General Fund Forecasted Capital Outturn 2022/23

6.2 Appendix 2 – HRA Forecasted Capital Outturn 2022/23

7. Background Papers

7.1 Capital Budget Setting – Council February 2022

7.2 UKSPF Report – Cabinet July 2022

GENERAL FUND FORECAST CAPITAL OUTTURN 2022/23

	Approved Budget 2022/23 £	Predicted Outturn 2022/23 £	Variance £
Transforming Bedworth	75,510	75,510	0
Abbey Street Regeneration Phase 1 & 2	38,596,682	9,000,000	-29,596,682
Bridge to Living	7,703,240	1,000,000	-6,703,240
Flood Alleviation	500,000	0	-500,000
Towns Fund	2,247,835	2,062,650	-185,185
Towns Fund - Parks Revival	41,180	41,180	0
Christmas Lights	4,500	4,500	0
Replacement CCTV Cameras	9,700	9,700	0
CCTV Wireless Technology	52,957	52,957	0
CCTV PSN Upgrade	44,410	44,410	0
BUSINESS & REGENERATION	49,276,014	12,290,907	-36,985,107
ICT Capital Programme	398,540	398,540	0
Business Continuity	34,540	34,540	0
Changing Places	125,000	0	-125,000
Camp Hill	73,480	73,480	0
FINANCE & CORPORATE	631,560	506,560	-125,000
Empty Homes - Works in Default	40,000	0	-40,000
HEART	4,520,000	4,520,000	0
Empty Property Loans	70,000	0	-70,000
Green Homes Phase 2	41,980	72,930	30,950
Green Homes Phase 3	1,245,000	1,245,000	0
Homeless Hostel Conversion	200,000	0	-200,000
HUG2	0	0	0
Safer Streets - Stubbs Pool/The Dingle	92,000	92,000	0
UKSPF Projects	311,478	311,478	0
HOUSING & COMMUNITIES	6,520,458	6,241,408	-279,050
Major Repairs	365,750	365,750	0
Vehicle & Plant Replacement	410,000	25,000	-385,000
Sub-Regional Materials Recycling Facility	2,065,656	2,200,000	134,344
Leisure Strategy	272,380	272,380	0
Play & Teenage Provision	24,710	24,710	0
Nomad Cameras	90,000	90,000	0
Fly Tipping Cameras	5,000	5,000	0
Bedworth Physical Activity Hub	5,602,000	602,000	-5,000,000
Pauls Land Pavilion	10,500	10,500	0
Sandon Park/Jack Whetstone Pavilion	27,870	0	-27,870
Preliminary Works - Riversley Park Bridge	40,000	0	-40,000
Cemetery Extension	100,000	0	-100,000

Play Area Improvements	61,000	61,000	0
Stockingford Community Centre Grant	25,000	25,000	0
Buttermere Recreation Ground Redevelopment	28,000	28,000	0
PUBLIC SERVICES	9,127,866	3,709,340	-5,418,526
Town Hall - Fire Safety Works	67,150	67,150	0
PLANNING & REGULATION	67,150	67,150	0
Target Hardening Measures	100,000	0	-100,000
HEALTH & ENVIRONMENT	100,000	0	-100,000
MISC projects	100,000	0	-100,000
	100,000	0	-100,000
TOTAL	65,823,048	22,815,365	-43,007,683

HRA FORECAST CAPITAL OUTTURN 2022/23

	Current Budget £	Current Forecast £	Forecast Budget Variance £
Decent Homes	2,000,000	2,000,000	0
Roof Coverings/Modifications	750,000	750,000	0
Windows & Doors	700,000	700,000	0
Door Entry Scheme	230,000	230,000	0
New Properties (Construction)	1,987,510	426,000	-1,561,510
Byford Court - Rebuild	1,498,610	67,000	-1,431,610
Independent Living Unit - Remodelling	1,000,000	0	-1,000,000
Large Scale Improvement Feasibility	250,000	0	-250,000
Conversion of Homeless Hostel	50,000	0	-50,000
District Heating Works	335,000	265,000	-70,000
Fire Works (General Purpose)	2,875,000	2,875,000	0
Acquisition of Properties	1,280,000	1,280,000	0
Level Access Showers	500,000	500,000	0
Aids & Adaptations	925,000	925,000	0
Central Heating	900,000	900,000	0
Slabs to Tarmac	100,000	100,000	0
Lift Renewal Works	176,000	176,000	0
PIR Electrical Works (Sheltered Housing & Communal)	550,000	550,000	0
Voids	550,000	550,000	0
Structural; Concrete Repairs/ Cladding	5,308,000	4,308,000	-1,000,000
Environmental Works	272,000	202,000	-70,000
Housing Management System	300,000	300,000	0
CCTV Renewal - GP Flats	50,000	50,000	0
Fire Damage Works	0	10,000	10,000
Garages	50,000	50,000	0
Replacement Vehicles	1,750,000	0	-1,750,000
Capital Salaries	572,000	572,000	0
Contingency	160,000	100,000	-60,000
TOTAL HRA	25,119,120	17,886,000	-7,233,120

Report Summary Sheet

Date: 8th March 2023

Subject: Resource and Waste Strategy Consultation

Portfolio: Public Services (Councillor S. Markham)

From: Directors - Public Services

Building a Better Borough

Aim 1: Live

Priority 3: Sponsor a sustainable green approach

Summary: This report sets out the Warwickshire Waste Partnerships (WWP) joint responses to the Governments consultations on the Resource and Waste Strategy, with regards to new proposals to Extended Producer Responsibility, Deposit Return Schemes and Consistent Collections.

Recommendations:

1. That the Warwickshire Waste Partnerships joint consultations back to Government and the contents of this report be noted.

Reasons: To ensure members are kept updated on the direction of future Resource and Waste Management strategies.

Options: Accept the recommendation in full.

Do not accept the recommendation.

Subject to call-in: Yes

Ward relevance: All
Forward plan: Yes
Equal opportunity implications: No direct equal opportunity implications currently.
Human resources implications: No direct Human Resource Implications, officer time in responding to consultation.
Financial implications: The proposed changes for the future Resource and Waste Strategy / Environment Bill if approved by Government will have a significant financial impact for NBBC to manage in its medium-term financial planning.
Health Inequalities Implications: No direct health inequality implications currently
Section 17 - Crime and Disorder Implications: None
Risk management implications: None currently
Environmental implications: None at this time, however depending upon the consultation and decisions made by Government, improved recycling and charges implemented to encourage less packaging and return / credit schemes to support environment.
Legal implications: None at this time.

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AGENDA ITEM NO.10

NUNEATON AND BEDWORTH BOROUGH COUNCIL

Report to: 8th March 2023
From: Glen McGrandle
Subject: Resource and Waste Strategy Consultation
Portfolio: Public Services - (Cllr S Markham)

Building a Better Borough Aim:1

Building a Better Borough Priority:3 Sponsor a sustainable green approach

1. Purpose of Report

- 1.1 This report sets out the Warwickshire Waste Partnership's (WWP) joint responses to the Government's consultations on the Resource and Waste Strategy, with regards to new proposals to Extended Producer Responsibility, Deposit Return Schemes and Consistent Collections.

2. Recommendations

- 2.1 That the Warwickshire Waste Partnerships joint consultations back to Government and the contents of this report be noted.

3. Background

- 3.1 The Government's National Resources and Waste Strategy was launched in December 2018. Following publication of that strategy, the Government has introduced the Environment Bill, which is progressing through the House of Commons. This will be the primary legislation which will underpin many new environmental regulations, including a suite of new waste regulation. Three consultations were carried out in the Spring of 2019 to which the Warwickshire Waste Partnership gave a joint response. The Government have been holding regular discussions with stakeholders to develop the regulations and issued a new round of consultations a second round of consultations in the Spring.

- 3.2 Following a detailed assessment of the consultation documents and in-depth discussions between Borough, District and County Council officers and after consultation with all the relevant Member leads for Waste and the Environment, the Warwickshire Waste Partnership responded jointly on 3rd June, 2021 to the Deposit Return Scheme and Extended Producer Responsibility consultations. A further consultation response on Consistent Collections was coordinated between officers and lead Members and was submitted by the deadline of 4th July, 2021

4. **Extended Producer Responsibility**

- 4.1 The Extended Producer Responsibility proposal for packaging is an overhaul of the current producer responsibility for packaging legislation. It aims to ensure that the total cost of collecting, transporting, sorting and recycling / reprocessing / disposing of the packaging is covered. The regulation should provide local authorities with 'Full Net Costs' recovery for the management of packaging waste including recycling, disposal and litter collections. The proposal is for the 'Brand Owner' to pay this cost. The less packaging a product has, the lower the fee will be. The more recyclable the packaging is, the lower the fee will be. Local Authorities will be given the costs of managing packaging waste but will have to demonstrate an 'efficient and effective' waste collection and disposal system.
- 4.2 The WWP's response in relation to Extended Producer Responsibility strongly supports the principles in the consultation and how the proposals incentivise resource efficiency. The Partnership believes that moving to the producer pays principle for waste management and ensuring that local authorities get back full net costs for dealing with packaging waste is fair and will contribute to both reducing waste and increasing recycling. The response states a preference for recycling labelling on packaging to be of one mandatory, unambiguous, clear style, to help householders and to increase correct recycling. The partnership officers welcomed the ambition to collect plastic films but were unsure if a comprehensive collection service can be enacted by 2026/27, due to end market uncertainty. The WWP has also highlighted issues with new compostable products that are appearing on the market and agreed with mandatory take-away cup take-back. The consultation response gave detailed feedback on how the return of full net costs to Local Authorities can be transparent, fair and equitable.
- 4.3 Defra's second consultation on Extended Producer Responsibility can be found at:

https://consult.defra.gov.uk/extended-producer-responsibility/extended-producer-responsibility-for-packaging/supporting_documents/23.03.21_EPR_Consultation.pdf

The full text of the Warwickshire Waste Partnership's response to the second round of consultation on EPR is set out at Appendix 1.

5.0 **Deposit Return Scheme**

5.1 The Deposit Return System proposal is for beverage containers only. At the point of purchase, a deposit will be paid on the drinks container. At the point of return for recycling, the deposit is redeemed. Country-wide return infrastructure will be created by way of a network of Reverse Vending Machines in shops and other municipal locations. The barcode of the product will be read and the item 'posted' into the container for onward recycling. Smaller shops will be able to offer manual returns. Online retailers will also collect returned containers. Plastic bottles and metal cans will be covered, possibly also glass bottles. Local Authorities may be able to access the deposits on items where the purchaser has foregone the deposit and decided to recycle at the kerbside, put in general waste, litter bin or litter. The main drivers for this scheme are reduced litter, improved capture for recycling and improved quality of material for recycling.

5.2 The full text of the second consultation on Deposit Return Schemes (DRS) can be found at:

[https://consult.defra.gov.uk/environment/consultation-on-introducing-a-drs/supporting_documents/DRS_Consultation_FINAL .pdf](https://consult.defra.gov.uk/environment/consultation-on-introducing-a-drs/supporting_documents/DRS_Consultation_FINAL.pdf)

5.3 The Partnership's response in relation to the Deposit Return Scheme proposals is supportive of the scheme and the potential for it to reduce litter, improve capture for recycling and improve quality of material for recycling. It is clear how a system to capture small drinks containers consumer 'on the go' could work well. However, officers have reservations over an 'all in' system, where any size drinks container can be returned. There is potential for this to significantly change the kerbside recycling collection service and have impacts on smaller retailers and the street scene. Moreover, there is a concern for how this might impact low-income families.

5.4 The Partnership have offered feedback on a proposed digital return system, asking for assurances of how fraud would be prevented in such a system. The response offers knowledge on how Local Authorities will be able to collect data in order to retrieve funds from the handling of containers where the deposit is unclaimed, and the item has passed through the kerbside or litter system.

The full text of the Warwickshire Waste Partnership's response to the second round of consultation on DRS is set out at Appendix 2.

6.0 **Consistent Collections**

- 6.1 The Consistent Collections consultation was launched on 8th May 2021. It covers the stated ambition to improve waste collections in England from both households and businesses. New stipulations that are not covered by payments to the local authority through the EPR mechanism will be covered by the government as a 'new burden'. The partnership's response asks government to ensure the full costs for new burdens are provided up-front for initial set up costs for the new requirements as well as ongoing operational and communication costs.
- 6.2 Headline proposals include the consistent inclusion of beverage cartons from 2023/24 and of plastic films from 2026/27. The Partnership supports the principle, but urges government to ensure that sorting capacity and, most importantly for Warwickshire, reprocessing and end market capacity, are in place before making it mandatory for these material types to be collected.
- 6.3 The Partnership opposes the proposal to offer all households a free garden waste collection, putting forward that the option to charge for this service should be a local decision. The Partnership also urges for local decisions on the frequency of residual waste collection (a requirement to collect residual waste fortnightly as a minimum had been suggested), pointing out that the other suite of proposals will remove all food waste and a large proportion of other materials from general waste, reducing the amount of residual waste and therefore the need for it to be collected frequently.
- 6.4 The Partnership welcomed the proposals regarding the collection of business waste, in principle. However, it believes that there is a lot more thinking required in this area and pointed out that local government is well placed to shape this strategy and provide services in this area.
- 6.5 The full text of the second consultation on Consistent Collections can be found at:
<https://consult.defra.gov.uk/waste-and-recycling/consistency-in-household-and-business-recycling/>.

The full text of the Warwickshire Waste Partnership's response to the second round of consultation on DRS is set out at Appendix 3.

7.0 **Separate Food Waste Collections**

- 7.1 As part of the above commitment, a cornerstone proposal for the provision of separate weekly food waste collections to every household has also been consulted on. The Partnership's support of this is caveated with the warning that this will not be straight-forward in very rural areas or for flats and houses of multiple occupancy.
- 7.2 The response to the Government's second consultation will be published in the near future and, subject to Ministerial and Cabinet Clearance, it will set out that separate weekly food waste collections from households must be introduced by the majority of Waste Collection Agencies (WCA) by a common date. However, as was raised in the consultation, there are specific circumstances why some WCAs may need longer, in particular, where the new requirement will adversely impact on long-term disposal contracts for Energy from Waste (EFW) and/or Mechanical Biological Treatment (MBT) held by Waste Disposal Authorities (WDAs), and this will lead to high costs.
- 7.3 In these specific circumstances, if Ministers decide it is appropriate, the inclusion of specific transitional arrangements for a particular WCA in the commencement regulations setting out when they will need to introduce weekly food waste collections by. However, in order to do this, WCAs affected must first be identified.
- 7.4 Where it is agreed that long-term disposal contracts is a barrier to the implementation of separate food waste collections, engagement with WCAs will be undertaken to understand the earliest date that food waste collections could be introduced.
- 7.5 In December 2022, Defra representatives confirmed that there would be a substantial amount of 'New Burdens' (Appendix 4) capital to fund the implementation of separate food waste collections e.g. the purchase of vehicles and containers, and it's likely that this funding will start to come available next financial year 24/25.
- 7.6 A DEFRA questionnaire, requesting information on current Bio waste disposal contracts, was received by WCC in January 2023, and completed detailing arrangements in place for WCA's in Warwickshire.
- 7.7 Currently updates to the resource and waste consultations are provided by WCC as the WDA and presented at Warwickshire Waste Partnership Meetings.

8. **Conclusion**

- 8.1 That waste management proposals and consultations, in accordance with the Environment Bill, will have significant impact on both WDA and WCA in the coming years and preparations for implementation, procurement and financing, notwithstanding the commitment for Capital 'burdens' finding from central government to fund this, must be put in place.

9 **Appendices**

- 9.1 EPR consultation responses (Appendix 1)
- 9.2 DRS consultation responses (Appendix 2)
- 9.3 Consistency Collections consultation responses (Appendix 3)
- 9.4 DEFRA, District Councils' Network Engagement Session, new burdens, December 2022 (Appendix 4)

10. **Background Papers**

- 10.1 Environment Bill

Appendix 1

Consultation on EPR for packaging

Introduction

1. What is your name? Warwickshire Waste Partnership – North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council, Rugby Borough Council, Stratford-on-Avon District Council, Warwick District Council, Warwickshire County Council.
2. What is your email address? ruthdixon@warwickshire.gov.uk
3. Which best describes you? Local Authority Waste Partnership
4. Please provide any further information about your organisation or business activities that you think might help us put your answers in context. The 6 authorities have formed a partnership which is not a legal partnership but the authorities work together to progress the Warwickshire Joint Municipal Waste Management Strategy
5. Would you like your response to be confidential? No

Our approach

Q6. Do you agree with the principles proposed for packaging EPR?

(a) Yes

The Partnership agrees with the Polluter Pays Principle, the Producer Pays Principle and the desire to change the way that packaging is designed by the Producer and how packaging waste is managed in the UK in order to move towards closed loop flows of materials in order to protect natural resources and the environment.

Q7. Do you agree with the outcomes that a packaging EPR should contribute to?

(a) Yes

Q8. Do you think these types of items not currently legally considered as packaging should be in scope of the new packaging EPR system?

(a) Yes

These materials currently are hard to recycle, have no tenable recycling markets and / or have a poor kerbside recycling capture rate; some are composite materials. Most are covered in the DRS and consistency proposals, so would need to be covered by EPR also. If these were not included, their use would increase in preference to easier to recycle materials that the strategy aims to encourage. When products start to be sold with less packaging, e.g. loose fruit, these materials could increase in use.

Q9. Which of these two classifications best fits with how your business categorises packaging?

(b) Consumer-facing and distribution/transit

(b) is closest to how a LA would classify packaging waste, which would be household or commercial waste.

Key Principles

Q10. Do you agree with our definition of full net cost recovery?

(a) Yes

The list includes all of the costs associated with managing packaging waste within a two tier system of waste collection authority and waste disposal authority, based on kerbside collection. We would welcome simple, clear and transparent methods for calculating the

payments due to LAs. It is not clear from the consultation document or the Impact Assessment that costs of collecting waste via bring banks and household waste recycling centres has been explored. In order to establish costs of disposing of packaging waste within the residual waste, funding for regular composition analysis will be needed. We would like clarity on how central costs for delivering this list of activities will be treated. The definition of full net cost states that the income obtained from the sale of recyclable material would be netted off, we would like more detail on how this would be calculated to make sure market differences and fluctuations are taken into account. Enforcement costs i.e to reduce contamination levels should also be included.

Q11. Do you agree that producers should be required to fund the costs of collecting and managing household and household-like packaging waste, i.e. all consumer facing packaging?

(a) Yes

Q12. Do you agree that packaging for commercial/industrial applications should be out of scope for full net cost recovery?

(a) Yes

However, LAs should receive funds to cover the management of distribution-type packaging that is used for home delivery, e.g. Amazon cardboard boxes

Q13. We would welcome your views on whether or not producers subject to any DRS should also be obligated under a packaging EPR system for the same packaging items.

(a) Yes they should

Not all items will be deposit returned, there will still be items littered, fly-tipped, discarded as residual waste and discarded as household recycling at the kerbside or HWRC that will need to be collected, managed and disposed of or recycled. If the government decides not to obligate under both systems, then LAs should get all unclaimed deposits.

Driving Better Design of Packaging

Q14. Do you agree with the development of an 'approved list' of recyclable packaging to underpin the setting of either modulated fee rates or deposits?

(a) Yes

Within the approved list, the stipulations should also take into account the most straightforward way for materials to be presented at the kerbside, e.g. lids and labels on. Items should be recyclable in this state. The modulated fees / varying deposits will need to take into account new packaging developments e.g. a vegware tray may be theoretically compostable, but all kerbside composting systems would need to be able to accept it.

Q15. Do you think the payment of modulated fees or the payment of deposits with the prospect of losing some or all of the deposit would be more effective in changing producers' choices towards the use of easy to recycle packaging?

(c) I don't know / I don't have enough information

The partnership's preferred option for governance is Model 2 which would suggest (a) Modulated fees, however the Partnership could see Model 4 also working and this would suggest (b) the Deposit and Fee mechanism. See responses to Qs 56 – 66 for more detail.

Q16. Do you think there could be any unintended consequences in terms of packaging design and use arising from:

(c) I don't know / I don't have enough information

Above all design considerations, the packaging needs to retain its efficacy for the preservation and protection of contents, particularly food. Additional food waste could be an unintended consequence of changes to packaging methods unless this consideration is included in the requirements.

Q17. Do you agree that the deposit approach should be designed to incentivise more closed loop recycling?

(a) Yes

Obligated Producers

Q18. What do you consider to be the most appropriate approach to a single point of compliance, the Brand-owner or the Seller approach?

(a) Brand-owner

Has the highest ability to influence the packaging design

Q19. If a single point of compliance approach was adopted, do you think the de-minimis should be:

(b) Retained and wholesalers and direct-to-retail sellers take on the obligation of those below the threshold?

This will prevent any small companies introducing difficult to recycle materials to the markets without consequence. If 15% of material is not accounted for within the current de-minimis level, even lowering the de-minimis will still leave a lot of material unaccounted for and either the larger brand owners making up for this or LAs not getting the full net costs. Here, the wholesalers are best placed to influence design.

Q20. Should small cafés and restaurants selling takeaway food and drinks whose packaging is disposed 'on the go' be exempt from being obligated?

(c) Don't know

Where Q19 (b) is used, small on-the-go retailers would not be directly obligated, but their wholesalers who were might pass on the cost to these customers who are themselves not obligated.

Q21. If shared responsibility is retained, is Option A or Option B preferable for including smaller businesses or the packaging they handle in the system?

(b) Option B (De-minimis threshold remains as is and obligations extended to distributors of packaging or packaged products)

This will prevent any small companies introducing difficult to recycle materials to the markets without consequence. If 15% of material is not accounted for within the current de-minimis level, even lowering the de-minimis will still leave a lot of material unaccounted for and either the rest of the chain making up for this or LAs not getting the full net costs. Here, the distributors are best placed to influence design.

Q22. If you have stated a preference for A, do you think the de-minimis threshold should:

NA – preference for B

Q23. Overall, do you have a preference for maintaining a shared responsibility compliance approach, or moving to a single point of compliance?

(b) Single point of compliance

This will make administration most efficient, the brand owner / wholesaler will be best placed and highly motivated to improve design and materials used in order to drive up recyclability of packaging (to reduce their fees / deposit loss).

Q24. Do you have a preference for how small businesses could comply?

(b) Apply an allocation formula

Allocation formula allows for fees to be linked to turnover

Q25. Do you think that requiring operators of online marketplaces to take the legal responsibility for the packaging on products for which they facilitate the import would be effective in capturing more of the packaging that is brought into the UK through ecommerce sales?

(a) Yes

Supporting Improved Collections Infrastructure

Q26. Do you agree payments to local authorities for collecting and managing household packaging waste should be based on:

(a) provision of collection services that meet any minimum standard requirements (by nation);

(b) quantity and quality of target packaging materials collected for recycling;

(c) cost of managing household packaging waste in residual waste

Yes to all three

(c) should include the cost of collecting the element of residual waste made up of packaging, any transport and transfer costs and disposal / treatment costs.

Allowances will need to be made initially for authorities who need to make largescale changes to services or who are tied into contracts and therefore are not in a position from the outset to provide minimum requirements, quantity or quality. Quality of material will be influenced by the range of materials to be collected and the housing types to be covered which may be mandated to the LA.

Q27. Do you think we have considered all of the costs to local authorities of managing packaging waste?

(b) No

We agree with the principal of full net costs. On page 28 of the consultation, other vital elements are also included, which are: cost of communicating with residents including enforcement work, cost of managing litter and fly-tipping, cost of data collection and management. The way the consultation is worded, it does not give confidence that the work is based on all of kerbside collection, bring banks and household waste recycling centres. We would like clarity on how central costs for delivering this list of activities will be treated. All relevant cost should be included and the Government should work with a cross section of LAs to capture this. We would welcome simple, clear and transparent methods for calculating the payments due to LAs. The LAs have an important role to play in the resource management process. The public look to the LA for leadership and engagement. LAs are well suited to manage and take ownership of their full range responsibilities regarding resource management. Government should be looking for ways to help LAs financially and technically by ensuring producers give householders packaging that can be recycled quickly and easily and by developing secure markets.

Q28. Do you agree with our approach to making payments for the collection of household-like packaging waste for recycling?

(a) Yes

Q29. Should businesses producing household-like packaging receive a payment for the costs of household-like packaging waste in residual waste?

(a) Yes

But only for packaging waste that cannot be recycled / isn't on the 'approved list'. Business should be able to influence their staff to recycle all waste that it is possible to recycle.

Q30. Are there other factors, including unintended consequences that should be considered in determining payments to:

(a) Local authorities? Uncomplicated, less onerous claim methods.

(b) For the collection and recycling of household-like packaging waste?

Q31. Do you have any information that would help us to establish the costs incurred by local authorities and other organisations of cleaning up littered and fly-tipped packaging items?

Yes

Q32. How do you think producer fees could be used to improve the management of packaging waste generated on-the-go?

Nationwide communications campaigns. Work to reduce the number of different polymers used in packaging.

Q33. Do you have any information that would help us to establish the costs of collection and disposal of increased on-the-go provision?

Yes

Q34. Do you agree that provision for the take back of single-use disposable cups for recycling should continue to be developed a voluntary basis by business prior to a government decision on whether disposable cups are included under an EPR scheme or DRS?

(a) Yes

Q35. Do you think the recycling of single-use disposable cups would be better managed through a DRS or EPR scheme?

(c) Both

Plus take back at the point of sale if DRS not available at that location

Q36. Do you think a recycling target should be set for single-use disposable cups?

(a) Yes

Helping Consumers do the right thing – communications and labelling

Q37. Should producer fees be used to support local service related communications delivered by local authorities?

(a) Yes

Q38. Should producer fees be used to support nationally-led communications campaigns in each nation?

(a) Yes

Once the minimum kerbside provision for recycling is established, national campaigns will have the ability to strongly normalise recycling habits. A budget for national campaigns will be able to take advantage of the latest methods of communicating with wide audiences, be that social media, apps, smart speakers or the next new thing.

Q39. Are there any circumstances where producers should be exempt from contributing to the cost of communications campaigns?

(b) No

Q40. Do you agree it should be mandatory for producers to label their packaging as Recyclable/Not Recyclable?

(a) Yes

However, these two labels only, per different element of the packaging. And the brand owner should be accountable for correct labelling, but it should be stipulated and controlled by the government. The Partnership feel that the current labelling methods for materials that may or may not be recyclable as they are collected by some LAs but not all: 'check local recycling' is confusing and should be replaced with clearer messaging or discontinued.

Q41. Do you think that the percentage of recycled content should be stated on product packaging?

(a) Yes

So long as there is a very clear differentiation between 'has recycled content' and 'is recyclable at the kerbside'. This is one area where national promotion would be cost effective and impactful.

Q42. If you responded yes to the previous question, how could recycled content information be provided to consumers? Please describe briefly.

A % quoted for each element of the packaging.

Q43. Do you have any other proposals for a labelling system? Please describe briefly.

If bin colour consistence if introduced, the equivalent bin colour on packaging can be used to indicate recyclable and in which bin.

Q44. Do you have experience to suggest an appropriate lead-in time for businesses to incorporate any mandatory labelling requirements?

No

Q45. In your view, are the estimates made in the Material Flow reports for packaging waste arisings the best available data? **Could potentially be underestimated**

(c) I don't know / I don't have enough information

Q46. Are you aware of any other factors which may affect the estimates of packaging **Commercial influences, under reporting?**

(c) I don't know / I don't have enough information

Q47. In your view, are there other factors which may affect the amounts of obligated tonnage reported?

(c) I don't know / I don't have enough information

Q48. Do you agree with the packaging waste recycling targets proposed for 2025?

(c) I neither agree nor disagree

Q49. Do you agree with the packaging waste recycling targets proposed for 2030?

(c) I neither agree nor disagree

Q50. Please provide your views on the policies and actions that could help us achieve an even higher overall packaging recycling rate, for example 75%, as well as your views on the costs associated with doing so. Better labelling, targeted communications, technological assistance for poor performers

Q51. Do you foresee any issues with obtaining and managing nation specific data?

(c) Don't know Auditing data received, **Incorrect data submission, data return processes**

Q52. Should a proportion of each material target be met by "closed loop" recycling, e.g. as is the case for glass recycling targets?

(a) Yes

Q53. Should government set specific targets for individual formats of composite packaging?

(a) Yes

Fibre, plastic, aluminium

Q54. Do you agree with the proposed interim targets for 2021 and 2022 set out in Table 6?

(c) I neither agree nor disagree

Q55. Do you agree with the proposal to increase the allocation method percentage to 35% for 2021 and 2022?

(c) I neither agree nor disagree

Governance Arrangements

Q56. Overall, which governance model for packaging EPR do you prefer?

(b) Model 2

The current system needs overhauling. Model 2 offers this with the single management organisation able to ensure that the model is delivering both the full net cost to the collectors and the recycling targets needed. Model 3 is unnecessarily complicated. Model 4 is good as it allows for driving closed loop recycling but may not realise full net cost recovery. Any model should ensure the LA has a voice. Government should stay focused on the benefits and should work to maximise those benefits.

Q57. If you had to modify any of the models in any way to make them better suited to achieve the principles and outcomes government has set for packaging EPR what changes would you suggest?

Q58. Do you have any concerns about the feasibility of implementing any of the proposed governance models?

a) Yes

Model 3 would be too complicated. None of the models will work if there is not a pull for material by there being enough of the right kind of reprocessing infrastructure and end markets in place.

Q59. Do you think that any of the governance models better enable a UK-wide approach to packaging producer responsibility to be maintained whilst respecting devolved responsibilities?

No

Q60. Stakeholders have suggested that a compliance fee mechanism similar to the arrangements currently in place under the WEEE producer responsibility scheme should be introduced if a competitive evidence market continues to operate such as in Model 1. Do you agree?
(a) Yes

Q61. Should a Packaging Advisory Board be established to oversee the functioning of the EPR system and the compliance schemes in the competitive compliance scheme model 1 or do you think other arrangements should be put in place?
(a) Packaging Advisory Board

Q62. Please let us know your thoughts as to whether the proposed single management organisation should be established on a not-for-profit basis or as a government Arm's Length Organisation.

Q63. If such a management organisation is established as not-for-profit, one option is for government to invite proposals from potential operators and then issue a licence to operate for a defined period of time. Do you agree with this approach?
(a) Yes

Q64. Should a single scheme be established for household/household-like packaging and C&I packaging as described for model 2?
(a) Yes

Q65. Or, should there be a separate system for managing compliance for household/household-like packaging and C&I packaging as described for model 3?
(b) No

Q66. Under model 4 are producers more likely to?
(b) Join a compliance scheme?

Responsible management of packaging waste domestically and globally

Q67. Do you agree that government should seek to ensure export of packaging waste is undertaken in a transparent and environmentally responsible manner?
(a) Yes

Q68. Do you agree that measures identified here would help ensure the export of packaging waste is undertaken in a transparent and environmentally responsible manner?
(a) Yes

Q69. Have we missed potential measures that you believe need to be considered alongside those measures we have proposed?
(b) No

Q70. Do you have any concerns about the feasibility and / or costs of implementing any of the proposed measures?
(b) No

A more transparent system

Q71. Do you agree that accredited reprocessors and exporters should be required to report their financial information?

(a) Yes

Q72. Should accredited reprocessors and exporters be required to generate evidence for every tonne of packaging waste that they process?

a) Yes

Q73. Should accredited reprocessors and exporters be required to report on the packaging waste they handle monthly?

a) Yes

Q74. Do you think that any additional measures to those already described would be required to ensure transparent operating of the evidence market in model 4?

(c) I don't know

Q75. Are there any additional requirements that should be placed on compliance schemes to ensure greater transparency of their operations and reporting?

(c) I don't know

Q76. Under a reformed system do you think compliance schemes should continue to be approved by the existing regulators or do you think a different approach is required?

(a) Yes, approved as now

Q77. Are there any additional requirements of a single producer organisation to ensure transparency of its operation and reporting?

(c) I don't know

Q78. Do you think there is a need to make more information on packaging available to consumers?

a) Yes

Why packaging is important. It is used to protect the contents, which are often more valuable and have more intrinsic carbon and environmental footprint than the packaging. If less, inferior or no packaging was used, in some cases this would lead to increased loss of the contents in transit or storage and would overall be more damaging to the environment.

Compliance Monitoring and Enforcement

Q79. Are there other datasets that will be required in order to monitor producers in any of the proposed models?

(b) No

Q80. Is there a specific material, packaging type or industry sector whereby producing accurate data is an issue?

(b) No

Q81. Do you think a single database, as opposed to the current range of methodologies available, would be an effective alternative?

(a) Yes

Q82. Do you agree that compliance schemes (models 1 and 3), the producer management organisation (model 2) or the scheme administrator (model 4) should be responsible for carrying out audits of producers, which should be reportable to the regulators?

(a) Yes

Q83. Do you support the broadening of legally enforceable notices to obtain required information?

(a) Yes

Q84. Are there other enforcement mechanisms that should be considered which would be timely and effective to bring producers into compliance, for example in relation to free riders?

a) Yes

FPNs? [Improvement notices with financial or prosecution penalties for non-compliance](#)

Q85. Are there any further data that should be required to be collated / collected via compliance schemes or a single management organisation?

Please provide brief details.

Q86. Do you think a penalty charge, as described, is the correct lever to ensure packaging recycling targets are met?

c) I don't know

Q87. Should stakeholders other than reprocessors or exporters be able to issue evidence of recycling?

b) No

Q88. Are there any additional enforcement powers that should be applied to waste sorters, MRFs and transfer stations handling packaging waste?

b) No

Q89. Do you agree with the proposed amendments to enforcement powers relating to reprocessors and exporters?

(c) I neither agree nor disagree

Q90. Do you have any evidence to indicate that under any of the proposed governance models the likelihood of waste packaging being imported and claimed as UK packaging waste might increase?

(b) No

Q91. Is the current requirement for a sampling and inspection plan and subsequent auditing by the regulator sufficient to address any misclassification of imported packaging waste?

(a) Yes

(b) No

Q92. Are there other mechanisms that could be considered that would prevent imported UK packaging waste being claimed as UK packaging waste under the proposed governance models?

a) Yes

b) No

Estimated Costs and Benefits

Q93. Do you have any additional data or information that will help us to further assess the costs and benefits (monetised or non-monetised) that these reforms will have?

No

Q94. Do you have further comments on the associated Impact Assessment, including the evidence, data and assumptions used? Please be specific.

No

Q95. If you have any other views or evidence that you think we should be considering when reforming the packaging waste regulations, which you have not yet shared, please add them here.

Not to do with packaging regulations, but to do with other materials that should be attached to producer responsibility, the Partnership would like the government to progress full net cost producer responsibility applied to carpet, mattresses and furniture.

Appendix 2

Consultation on DRS for packaging

Introduction

1. Would you like your response to be confidential?

No

2. What is your name? Ruth Dixon

3. What is your email address? ruthdixon@warwickshire.gov.uk

4. Which best describes you? Local Authority Waste Partnership

5. If you are responding on behalf of an organisation, what is its name? Warwickshire Waste Partnership – North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council, Rugby Borough Council, Stratford-on-Avon District Council, Warwick District Council, Warwickshire County Council.

The 6 authorities have formed a partnership which is not a legal partnership but the authorities work together to progress the Warwickshire Joint Municipal Waste Management Strategy

6. Does your organisation have any recent experience of a DRS or related policy schemes? No

7. Are you content for the UK government, or in Wales, the Welsh Government, or in Northern Ireland, DAERA to contact you again in relation to this consultation? Yes

Basic Principles

8. Do you agree with the basic principles for a DRS?

Yes

Proposed Models for DRS

9. Should the following materials be-in scope of a DRS: See Scotland response

a. PET bottles

Yes

b. HDPE bottles

Yes

c. Aluminium cans

Yes

d. Steel cans

Yes

e. Glass bottles

Yes

f. Other (please specify)

10. Should the following materials be-in scope of a DRS:

a. Cartons e.g. Tetrapack

Yes

If these materials are not in scope, it may encourage drinks manufacturers to place their product in these more difficult to recycled containers which will end up as litter in the kerbside recycling and residual bins

b. Pouches and sachets, e.g. for energy gels

Yes

If these materials are not in scope, it may encourage drinks manufacturers to place their product in these more difficult to recycled containers which will end up as litter in the kerbside recycling and residual bins. These materials are not included in the consistency

framework, so if they weren't included in a DRS but are to be captured under EPR, how will they be collected? It is these harder to recycle items a DRS should target.

11. If a DRS were to be introduced, should provisions be made so that glass bottles can be re-used for refills, rather than crushed and re-melted into new glass bottles?

Yes In line with waste hierarchy

Drinks in Scope

12. Should the following drinks be in-scope of a DRS: See Scotland Response

a. Water

Yes

b. Soft drinks (excluding juices)

Yes

c. Juices (fruit and vegetable)

Yes

d. Alcoholic drinks

Yes (all)

e. Milk containing drinks

Yes (all)

f. Plant-based drinks (such as soya, rich almond and oat drinks)

Yes

g. Milk

Yes

h. Other (please state which):

Disposable single use cups

13. Do you think disposable cups should be in the scope of a DRS?

a. Disposable cups made from paper with a plastic lining (such as those used for coffee)

Yes

b. Disposable cups made of plastic (such as those used in vending machines)

Yes

Material and financial flows

14. Do you agree with the proposed material flows as described above?

Yes

I don't know / I don't have enough information

15. Do you agree with the proposed financial flows as described above?

Yes

I don't know / I don't have enough information

Overlap with packaging ERP scheme

16. Should producers obligated under a DRS be:

b. Also obligated under the reformed packaging producer responsibility system for the same packaging items?

Producers should be responsible for their items under both schemes. Not all items will be deposit returned, there will still be items littered, fly-tipped, discarded as residual waste and discarded as household recycling at the kerbside or HWRC that will need to be collected, managed and disposed of or recycled. If the government decides not to obligate under both systems, then LAs should get all unclaimed deposits.



17.If producers were obligated under both a DRS and a reformed packaging producer responsibility system for the same packaging items, how could we effectively ensure that they would not be unfairly disadvantaged by a 'double charge'?

Full net costs should be calculated across both the DRS and kerbside / HWRC / Bring bank collection system where relevant before setting the fees / deposits for each material.

Deposit Material Organisation

18.Do you agree that the DMO should be responsible for meeting high collection targets set by government?

Yes

19. Should the DMO also be responsible for meeting high recycling targets set by government?

Yes

20.Should unredeemed deposits be used to part-fund the costs of the DRS system?

No

Unredeemed deposits should go to LAs because that is where the material not returned via the DRS will mainly end up i.e. in litter, kerbside recycling or residual waste or HWRC recycling or residual waste.

21.If unredeemed deposits are not used to part-fund the costs of the DRS system, do you agree they should be passed to government?

Yes

To then apportion to LAs. The money should be used to deal with packaging waste management, recycling and prevention not used to fund other areas of government.

22. Do you have alternative suggestions for where unredeemed deposits could be allocated?

Yes direct to LAs via the DMO

23.If the scheme is managed by the DMO, which of the following bodies should be represented on the management board:

a. Industry (drinks producers)?

b. Government

c. Trade associations representing those hosting return points (e.g. retailers, small shops, transport hubs)?

d. Companies representing those hosting return points (e.g. retailers, small shops, transport hubs)?

e. Other (please specify) Local Authorities

Please briefly state the reasons for your response. Where available, please share evidence to support your view. LA's will be the natural place residents and users seek for information and to complain

All stakeholders involved should have a voice.

24.Should there be government involvement in the set-up/running of the DMO body?

Yes

25.Do you agree with the government's proposals that a DMO would:



- a. Advise government on the setting of the deposit level/s
Yes
- b. Set producer/importer fees
Yes
- c. Be responsible for tracking deposits and financial flow in the DRS – and ensuring those running return points are paid the deposits they refund to consumers
Yes
- d. Set and distribute the handling fees for return points
Yes
- e. Be responsible for ensuring that there are appropriate return provisions for drinks containers in place, and that these are accessible?
Yes
- f. Be responsible for maintenance of reverse vending machines (RVMs) and provision of bags/containers to those running manual return points
Yes
- g. Own the material returned by consumers
Yes
- h. Reimburse those transporting returned drinks containers to recyclers/counting/sorting centres – and manage these contracts
Yes
- i. Fund counting sorting/centres – and manage the contracts for counting/sorting centres
Yes
- j. Be legally responsible for meeting the high collection targets set by government for drinks containers within scope of the DRS.
Yes
- k. Measure and report recycling rates to government
Yes
- k. Run communications campaigns to aid consumer understanding of the DRS
Yes

Producers

26. Do you agree with our proposed definition of a producer?
Yes

27. Should there be a de minimis which must be crossed for producers and importers of drinks in-scope of a DRS to be obligated to join the scheme?
Yes

For EPR, we preferred a single point of compliance system where the brand owner pays. For material produced by small businesses, the packaging wholesaler would take on the

obligation. Careful thought would need to be given to small importers and online sellers, so that they are not at an advantage above other groups.

28. Should a de minimis be based on:

- b. Sales figures
- Turnover

29. If there is a buy back scheme for recycled materials, do you have evidence for how this could be effectively run?

Set up costs

30. In line with the principle of full net cost recovery, the government proposes that producers would cover the set up costs of the DMO?

Do you agree with this proposal?

Yes

31. Should the DMO be responsible for co-ordinating the set-up of the DRS, including buying RVMs and an IT system?

Yes

Operational costs

32. Should producers of drinks within a DRS be responsible for DRS operational costs?

Yes

Retailers/Return provisions

33. Which of the following should be obligated to host a return point?

- a. Retailers who sell drinks containers in scope
- b. Transport hubs
- c. Leisure centres
- d. Event venues
- f. Other (please specify)

Please briefly state the reasons for your response. Where available, please share evidence to support your view

Any venue selling drinks containers in scope

Any venue where drinks containers in scope are consumed in large quantities – schools?

Retailers via their grocery delivery services

34. What might the impacts be on those hosting:

(a) Reverse vending machines? Where available, please share evidence to support your view.

(b) Manual return points? Where available, please share evidence to support your view.

Loss of retail space

Smaller businesses may be at a disadvantage if they do not have the space to host, particularly if other hosts give the deposit as a voucher to be spent in their shop.

Bring bank sites have historically suffered from incorrect materials being left near the banks, vandalism etc all the issues related to bring banks may also impact on reverse vending machines.

35. Are there any Health and Safety-specific implications that may be associated with hosting return points?

36. Is there a de minimis level under which businesses who sell drinks in scope should be exempt?

Yes

37. Should a de minimis be based on:

c. Sales figures for drinks in scope

ii. If yes, what figure?

38. Please briefly state the reasons for your response. Where available, please share evidence to support your view

39. Do you have alternative suggestions for return provisions that could be used to accept the return of drinks containers? Please provide details.

40. For consumers who would have difficulty returning empty drinks containers, what provisions could be put in place so that these consumers are able to return drinks containers and receive their deposit refund?

41. What provisions could be put in place for rural areas where there may be few small retail outlets spread over a wider area, in order to ensure that there are adequate return and collection facilities?

The set-up needs to ensure that small business, especially in rural areas, are not at a disadvantage where potential business is driven elsewhere because availability of nearby deposit locations is a deciding factor in where to shop. Small deposit points are a must. Population mapping can be used to ensure that the majority of people are within a sensible distance of their nearest deposit point. Sensor technology and compaction can ensure that collections from small and remote deposit points is efficient.

42. Do you have evidence that would help inform us about whether there is potential for siting RVMs outdoors e.g. in parks, at existing outdoor recycling centres, on highstreets?

43. Should online retailers selling drinks in in-scope containers be obligated to pick up and refund DRS material?

Yes

44. Should there be a de minimis under which online retailers would not be obligated to pick up and refund DRS material?

Yes

If yes, should a de minimis for online retailers be based on:

a. Sales figures for drinks in scope

45. Should certain businesses which sell drinks in in-scope drinks containers host return points, e.g. pubs, hotels, cafes? Please provide details.

Yes

46. Should there be an opportunity for retailers that don't stock drinks / those who may not be obligated to provide a return point to 'opt-in'?

Yes

47. Do you have any further views, comments or evidence in relation to retailers not already covered above?

On Trade sales

48. How should a DRS account for 'on-trade' sites such as bars and restaurants
Commercial DRS points

The deposit

49. What do you consider to be the optimum deposit level to incentivise return of drinks containers? Please briefly state the reasons for your response.

20p. The level of deposit will heavily influence the success of the scheme so will need thorough testing.

50. Should the deposit level be a flat rate across all drinks containers covered by the DRS?
Yes

51. Should there be an alternative deposit level for drinks containers in a multipack, rather than each container carrying the same deposit?
No

52. How do you think deposits should be redeemed? Please tick all that apply.

a. Voucher (for deposit value, printed by the reverse vending machine or by the retail assistant at manual drop-off points)

b. Digitally (for example a digital transfer to a smartphone application)

d. Return to debit card

e. Option to donate deposit to charity

Unredeemed deposits should go to LAs because that is where the material not returned via DRS will mainly end up i.e. in litter, kerbside recycling or residual waste or HWRC recycling or residual waste.

Sending material on for recycling and data recording

53. Should the DMO be responsible for ensuring that there is evidence that drinks containers have been recycled?

Yes

54. In addition to reporting on collection rates, should the DMO also be obliged to report on recycling rates of in-scope drinks containers?

Yes

Transparency

55. How do you think transparent financial flows in a DRS could be achieved most effectively? Please explain your answer, providing evidence where available.

Monitoring and Enforcement

56. Would Environment Agencies in England, Wales and Northern Ireland be best placed to monitor/enforce a DRS covering England, Wales and Northern Ireland?

If no, why and is there another body that would be better suited to perform this function?

Yes extra staff may be required



57.How frequently should the DMO be monitored? (This monitoring would look at, i.e., financial accounts, material flows, proof of recycling rates, setting of deposit level (if done by the DMO))

b. Bi-annually

Twice a year

58.How often should producers be checked for compliance with the DRS (if compliance is obligated)?

a. Annually

59.Should enforcement focus on:

a. A sample of producers?

b. All producers?

60.Should any penalties (fines) on the DMO or producers/importers be set by the regulator appointed to monitor the DMO?

Yes

Fraud

61.Are there any points in the system which you think would be particularly susceptible to fraud? Please state. [Theft from recycling receptacles, falsifying Tonnage returns.](#)

62.Which labelling/markings on drinks containers in scope would best protect against fraud? Please select all that apply:

b. Marking indicating inclusion in DRS

c. Existing product barcode (containing DRS information when scanned)

63.How could return via reverse vending machines (RVMs) best be protected against fraud? We are particularly interested in any evidence you may have to support suggestions. [Technological advancements to register false returns](#)

64.How could the process of manual returns best be protected against fraud? We are particularly interested in any evidence you may have to support suggestions. [User activated cctv camera's points, similar to cash points. Face recognition technology.](#)

65.How could a DRS best protect against fraud across Devolved Administrations in the event of similar schemes with common underlying principles (but not one uniform scheme)? [Branding and identification](#)

DRS Options – “all in” or “on the go”

66.Should drinks containers over a certain size, for example beer kegs and containers used for water coolers, be excluded from an all-in DRS?

Yes

67.If drinks containers over a certain size were excluded from an all-in DRS, what should the maximum cut-off size be?

> 4 Litres

68. Do you agree with our definition of ‘on-the-go’ as less than 750mls in size?

Yes



The scheme will need to establish rules such that, in the case of on-the-go, manufacturers don't simply make their on-the-go containers 1ml larger than the threshold to get around the deposit scheme.

69. Do you agree with our definition of 'on-the-go' as excluding multipack containers?

No

Multipack should be included in on-the-go, people will buy and store in their house / car / office to use when away from home. Some vendors will sell multipack products singly.

70. Based on the information above, and where relevant with reference to the associated costs and benefits outlined in our impact assessment (summarised below), which is your preferred DRS option?

All-in

All-in is the preferred option of the Partnership due to the over-riding factors of simplicity for the public and the ability to capture more packaging, therefore reducing litter to the greatest extent and maximising recycling and resource efficiency.

Simplicity and consumer message - All-in gives a clear message to the public and all organisations in the management chain that used packaging is a resource. If you have a container that once held a drink, you can return it and get your deposit back is simple to understand.

Maximising recycling – All-in will provide higher volumes of clean recycle which will provide certainty for reprocessors and support the circular economy. As the infrastructure is going to be put in at a high initial cost, it should be used to its fullest extent.

Reducing litter - A significant component of litter is bottles bigger than 750ml and there is also a component which is bottles that are bigger than 1 litre. Capturing these within an all-in DRS scheme would protect wildlife and the environmental and save litter collection cost for LAs more-so than on-the-go only.

However, the partners would have serious concerns over this option in practice if the EPR for packaging is not enacted as set out in the parallel consultation and LAs were not given full net costs for dealing with kerbside recycling. If DRS was put in place, especially all-in DRS, collection authorities would lose material from their recycling stream that brings in an income and makes the collection process affordable, especially metal and PET bottles. Evidence from the collection authorities does not support the assumption in some models of DRS that assert that collection costs and sorting cost will reduce enough by the reduction of material collected at the kerbside to offset the material revenues. An all-in DRS without full net cost EPR would lead to collection services collecting recycling with a wholly different and less valuable make-up which would add unmanageable financial burdens on a WCA, so where full net costs are not transferred, the on-the-go option is preferred.

Outcome of impact assessment

71. Do you agree with our impact assessment?

Yes

No

I neither agree nor disagree

I don't know / I don't have enough information

Please briefly state the reasons for your response. Where available, please share evidence to support your view

The additional travel should be considered. This can be minimised through use of sensors and compaction at deposit points. Strategically sited transfer locations and carefully selected fleet will also reduce travel impacts.



72. Do you think more data is needed?

If yes, please state where.

Yes

No

Neither

I don't know / I don't have enough information

Please briefly state the reasons for your response. Where available, please share evidence to support your view

73. Are there other costs and benefits which we have not covered in our impact assessment?

74. Do you have further comments on our impact assessment? Please be specific.

75. The dual objectives of a DRS are to reduce litter and increase recycling. Do you wish to suggest an alternative model that would be more effective at achieving these objectives? If so please briefly describe it, making reference to any available evidence.

76. A potential option for introducing a DRS could be to start with the 'on-the-go' model, and then expand/phase roll-out to 'all-in'. Do you think this would be an effective way to introduce a DRS?

Yes – This would give more time for the concept to be understood and the EPR process for material loss to be fully developed

No

I neither agree nor disagree

I don't know / I don't have enough information

Please briefly state the reasons for your response. Where available, please share evidence to support your view

Outcomes of what we are trying to achieve

77. Do you think a DRS would help us to achieve these outcomes?

a. Reduction in litter and litter disamenity (include expected % decrease where possible)

Yes

b. More recycling of drinks containers in scope of a DRS, especially those disposed of 'on-the-go'

Yes

c. Higher quality recycling

Yes

d. Greater domestic reprocessing capacity through providing a stable and high quality supply of recyclable waste materials

Yes

78. Do you think a DRS, as set out in this consultation, is necessary in helping us achieve the outcomes outlined above?

Yes

Alternative approaches



79. Do you think the outcomes of what we are hoping to achieve could be reached through an alternative approach?

Yes better sustained targeted education process to instil environmental values

No

I neither agree nor disagree

Other (please state)

I don't know / I don't have enough information

Please explain your answer, providing evidence where available.

80. Do you think an alternative approach would be a better way of achieving the outcomes?

Yes

No I neither agree nor disagree

Other (please state)

I don't know / I don't have enough information

Please explain your answer, providing evidence where available.

Further detailed questions

81. Are there particular local authority considerations that should be taken into account when considering whether to implement either an "all-in" or "on-the go" model? Kerbside material loss, reprocessing contract tonnage confliction.

82. Are there specific considerations associated with your local authority that DRS policy makers should consider? (Specific examples and any cost estimates, where applicable, would add value to this response).

83. What benefits and/or disadvantages can a DRS provide to your local authority? (Specific examples and any cost estimates, where applicable, would add value to this response).

Lower street litter ,resource realignment opportunities,

84. Are there any specific considerations associated with local authorities that collect waste from designated DRS return points that we should consider? (Specific examples and any cost estimates, where applicable, would add value to this response).

Design of drinks containers

85. How should a DRS drive better design of packaging?

Please select all that apply:

a. Varying producer fees that reflect the environmental cost of the products that producers are placing on the market

b. An additional producer fee for producers using unnecessary and/or difficult to recycle packaging

c. Other (please specify)

86. Who should be involved in informing and advising on the environmental cost of products? Select all that apply

a. Government

b. Reprocessors

c. Producers

d. Local Authorities

e. Waste management companies



DRS and other waste legislation

87. Do you agree or disagree with our assessment of other waste legislation that may need to be reviewed and amended?

Agree

Disagree

Neither agree nor disagree

I don't know / I don't have enough information

Please briefly state the reasons for your response. Where available, please share evidence to support your view.

88. Do you have evidence to suggest that we might need to revise any other waste-related regulations as part of introducing a DRS? Please specify. [Control of pollution amendment act – waste carriers, controlled waste regulations](#)

Further comments

89. Is there anything else we should be considering related to drinks container recycling and litter reduction which has not been covered by other questions?

The expansion of DRS into other packaging, such as confectionary wrappers, should be analysed materials like this make up a large component of existing litter.

Appendix 3

Consultation on consistency in household and business recycling collections in England

Introduction

1. What is your name? Ruth Dixon
2. What is your email address? ruthdixon@warwickshire.gov.uk
3. Which best describes you? Local Authority Waste Partnership
4. If you are responding on behalf of an organisation, what is its name? Warwickshire Waste Partnership – North Warwickshire Borough Council, Nuneaton and Bedworth Borough Council, Rugby Borough Council, Stratford-on-Avon District Council, Warwick District Council, Warwickshire County Council.
The 6 authorities have formed a partnership which is not a legal partnership but the authorities work together to progress the Warwickshire Joint Municipal Waste Management Strategy
5. Would you like your response to be confidential? No

Part 1 Measures to improve the quantity and quality of household recycling collected by local authorities

Proposal 1

We propose that all local authorities in England should be required to collect a core set of dry recyclable materials at kerbside from houses and flats.

Q5 Setting aside the details of how it would be achieved, do you agree or disagree with the proposal that local authorities should be required to collect a set of core materials for recycling?

Agree – local authorities should be required to collect a core set of materials

Q6 We think it should be possible for all local authorities to collect the core set of materials. Do you agree with this?

Agree

However many collection authorities will have barriers in place that will mean that they will need time to transition and existing contracts may also cause a delay in transition.

It also needs to be the case that the reprocessors have the capacity and the end markets are there to pull material through the system and LAs are not left with material that is unwanted or has to be exported at an onerous cost. The commitments from government that additional resource to meet new costs arising from enacting the consistency policies will be forthcoming are welcomed. These will need to cover up front transition costs and ongoing operational costs, including effective communications with householders.

Q7 What special considerations or challenges might local authorities face in implementing this requirement for existing flats and houses in multiple occupancy?

Less accountability and control over enforcement, particularly when bins are shared, which is the usual case; mean that is very challenging to get material from flats and HMOs that has low enough contamination to make it possible to recycle economically. Space for multiple bin storage can also be an issue. Putting in infrastructure and collecting more streams from flats, even if it is not too contaminated, will be costly, as will additional communications to keep contamination low. Material quality is likely to be affected by flats and HMOs.



Q8 What other special considerations should be given to how this proposal could apply to flats? Please provide additional information on your answer.

Q9 Do you have any other comments to make about Proposal 1? Please use this space to briefly explain your responses to questions above, e.g. why you agree/disagree with proposals.

One reason for proposing consistency and a set of core materials is to reduce householder confusion. Especially when people move from one area to another or when friend discuss recycling but they do not live in the same collection area. Moving to a core set of materials will help reduce confusion that is triggered this way and will allow for communications to go out at a national level, leading to higher levels of recycling. However, two common contaminants of recycling: nappies and polystyrene are not collected for recycling in any area. A consistent set of materials and national campaigns should also address these recycling contaminants which will improve recycling quality.

Proposal 2

We propose that the core set of materials will be glass bottles and containers, paper and card, plastic bottles, plastic pots tubs and trays, and steel and aluminium tins and cans.

Q10 Do you believe that all of these core materials should be included or any excluded?

	This should be included in the core set	This should be excluded from the core set	Not sure/don't have an opinion/not applicable
Glass bottles and containers	Yes		
Paper and card	Yes		
Plastic bottles	Yes		
Plastic pots tubs and trays	Yes		
Steel and aluminium tins and cans	Yes		

Q11 What, if any, other products or materials do you believe should be included in the core set that all local authorities will be required to collect?

	This should be included in the core set from the start of Consistency	This should be included from the core set but phased in over time	This should be excluded from the core set	Not sure/don't have an opinion/not applicable
Food and drinks cartons	Yes			
Plastic bags and film		Yes		

Other materials (please specify)				
----------------------------------	--	--	--	--

Q12 If you think any of these or other items should or should not be included in the core set immediately please use the box below to briefly explain your view.

In principle we would support all material listed for inclusion. However, particularly for film, we are not aware that the infrastructure to handle these materials from collections onwards are in place and nor are we confident that there are markets available for this material post-consumer. Gearing up to collect and process film will take time and the size of transition is large.

Q13 If you think these or other items should be considered for inclusion at a later stage, what changes would be needed to support their inclusion?

Processing capacity and bulking/transfer stations need to be in place, in several locations across the country and ready to accept the material before it is mandated. Markets need to be established. The proposed taxation should help with this but may come in and start taking effect too late for a 2023 start date for mandatory film collection at the kerbside.

Q14 Do you have any other comments to make about Proposal 2?

Tetrapak should be included from the outset for EPR, DRS and consistency as otherwise the effect will be that this composite and harder to recycle material will be used by brands in preference to materials such as PET which are more readily recyclable and more commonly collected. Coffee cups can be included with this material.

Proposal 3

We propose that this core set of materials should be regularly reviewed by government and, if appropriate, expanded over time provided that a) evidence supports the benefits, b) there are viable processing technologies for proposed materials, c) there are sustainable end markets, d) local authorities would not be adversely affected, including financially.

Q15 Do you agree that the core set should be regularly reviewed and, provided certain conditions are met, expanded?

Yes

Q16 Do you believe that the proposed conditions a) b) c) and d) above are needed in order to add a core material?

Yes – but I would also add some (please specify which conditions you believe should be added ...) E) There is a consistency in approach across the country before implementation

Q17 Do you have any other comments to make about Proposal 3?

It is important through EPR, DRS and consistency that government makes it clear to packaging and disposable item manufacturers that any new materials in development or brought to market should be easily recyclable by householders. There is a current move for some retailers to introduce ‘vegware’ packaging or disposal items which is theoretically compostable, but over reasonable time scales it is not actually compostable at home or in municipal processes. The government should seek to educate retailers, brands and manufacturers what the core set of kerbside recycle materials are currently and make it

clear what conditions new materials would need to meet to be added to the lists, so that products can be designed accordingly.

Proposal 4

By 2023 we propose to legislate for local authorities to provide all kerbside properties and flats with access to at least a weekly separate collection service for food waste, including provision of containers and liners.

Q18 Which aspects of the proposal do you agree and disagree with?

	Agree	Disagree	Not sure/don't have an opinion/not applicable
(i) at least a weekly collection of food waste	Yes – provided new net costs met (set up and ongoing)		
(ii) a separate collection of food waste (i.e. not mixed with garden waste)		No – WCC may need to mix due to long term contractual commitments	
(iii) services to be changed only as and when contracts allow	Yes		
(iv) providing free caddy liners to householders for food waste collections			If increased capture demonstrates this is worthwhile

Q19 Are there circumstances where it would not be practical to provide a separate food waste collection to kerbside properties or flats.

Yes (if yes please provide further details below)

For flats and HMOs it is much more difficult to get uncontaminated material due to less accountability and control over enforcement. Space for multiple bin storage can also be an issue. Carrying heavy food waste containers from a flat to the bin store may be too difficult for some residents. Putting in infrastructure and collecting more streams from flats, even if it is not too contaminated, will be costly, as will additional communications to keep contamination low.

Q20 Do you have any other comments to make about Proposal 4 including on circumstances where it may not be practical to provide a separate food waste collection? Separate weekly collection of food waste will be a new burden and will need to be funded fully so that it can happen. This needs to be new funding and should not be offered by way of the funding that may be released or gained by EPR. As with introducing new dry recycling streams, there will be transition costs (such as additional bins, caddies and

vehicles) and ongoing operational costs (such as crew, transportation and treatment costs). Transition will take time and there may be contract barriers and lack of local infrastructure to deal with the waste collected. On page 27, the consultation document states: **'Given the additional costs involved in separate food waste collection, the government will ensure that LAs are resourced to meet new costs arising from this policy, including upfront transition costs and ongoing operational costs.'** This policy will be essential and will need to work for the government to meet commitments to prevent all food waste from going to landfill by 2030.

Proposal 5

We will provide funding and support to local authorities to help put in place the necessary collections infrastructure

Q21 If you are responding on behalf of a local authority, what kind of support would be helpful to support food waste collection? (tick as many as apply)

Specific financial support (please specify) **set up capital costs for new or re-configured vehicles**

LAs will need to receive additional resource to meet all new net costs involved in providing weekly separate food waste collections, including set up costs and operational costs (including free liners).

Procurement support, (e.g. free advice on renegotiating contracts; centralised purchasing of containers)

Communications support, (e.g. free collateral that can be adapted and used locally)

Nationwide campaigns to derive a consistent message

Technical support, (e.g. free advice from a consultant about round re-profiling) **An expectation of regionalised technical support officers to ensure waiting times are kept to a minimum**

Q22 Do you have any other comments to make about Proposal 5?

There is likely to be an environmental impact of the extra transport needed to achieve weekly separate food waste collections, depending on the collection method used.

Proposal 6

We believe it would be desirable for local authorities that have contractual commitments with IVC facilities, which needs mixed garden and food waste, to require separate presentation of food waste but then be able to mix it with garden waste for treatment purposes. This is because our evidence shows that separate presentation of food waste leads to higher yields.

Q23 What are your views on this proposal?

We are in a situation where this applies to our contracts beyond 2023. We would seek to collect food waste at the kerbside in a separate container to achieve higher yield and maintain a consistent method of capturing the food waste every week for the household. Where necessary we would then mix if contracts and best value for money based on existing contracts dictated. The mixing of wastes can sometimes cause distrust from the public if they are asked to take the time to separate material only for it to be mixed, clear communications may assist with this issue.

Proposal 7

We are seeking views on whether households generating garden waste should be provided with access to a free collection service. If introduced this this would be a minimum fortnightly collection service of a 240-litre capacity container (either bin or sack). Local authorities may provide additional capacity or more frequent services and would be able to charge for this additional provision

Q24 Which aspects of the proposal do you agree or disagree with?

	Agree	Disagree	Not sure/don't have an opinion/not applicable
(i) a free garden waste collection for all households with gardens		D – should be local decision	
(ii) A capacity to 240l (bin or other container eg sack)	A (if goes ahead)		
(iii) A fortnightly collection frequency (available at least through the growing season)	A (if goes ahead)		
(iv) ability to charge households for additional capacity/collections/containers over the set minimum capacity requirement	A (if goes ahead)		
(v) this new requirement to start from 2023 (subject to funding and waste contracts)	A (if goes ahead)		

Q25 Do you have any other comments to make about Proposal 7?

We disagree with the proposal. We think that this should be local decision. There is a compelling argument based on the producer pays principle that says that those without gardens should not be subsidising with an element of their council tax the ability of those with gardens to dispose of their garden waste free of charge. There is also an impact on the environment from transporting and treating this material at central locations, whereas it would be more environmentally friendly for it to be treated at home by home composting. Free garden waste collection will assist with reaching higher recycling levels, but other environmental factors, such as the carbon cost of transporting this waste, outweigh when compared with home composting.

Assuming that free garden waste collections are mandated, which we disagree with and believe should be a local decision, the conditions of bin capacity, frequency etc are acceptable. Free garden waste collections must be fully funded as a new burden if they are to be mandated, including up front transition costs and ongoing operational costs.

Proposal 8

In addition to the new core set of materials that we will require to be collected, we want to promote separate collection of materials where this is feasible and can help to improve quality. We propose to amend the law to clarify this and will include guidance in our proposed statutory guidance on minimum service standards to help local authorities and waste operators in decision making on separate collection.

Q26 Do you agree the proposed approach to arrangements for separate collection of dry materials for recycling to ensure quality?

No (why ...?)

This should be a local decision based on markets found locally. If the LA has access to a MRF which is able to achieve high levels of quality and the LA is already set up to collect comingled or dual stream materials, it is more economical and environmentally friendly to stay with this effective regime. It is also preferable to maintain a system that the householder is used to, if it is working well in terms of capture and quality. Levels of contamination in comingled collections may improve when a core set of materials are collected and high level communications campaigns can take place.

LAs should continue to apply TEEP at frequent intervals to determine if the current method is achieving good quality and good value.

Q27 What circumstances may prevent separate collection of paper, card, glass, metals and plastics? Please be as specific as possible and provide evidence. 1) Cost of receptacle change 2) **Location issues, limited storage and presentation space**

As above Q26

Q28 Do you have any other comments to make about Proposal 8?

Proposal 9

Assuming that we progress with proposals for a core set of materials that must be collected for recycling, the government welcomes views on whether England should move to standardised waste container colours for those materials, together with residual waste, food and garden waste.

Q29 Do you agree or disagree with this proposal?

Agree in part – bin colours should be standardised for some waste streams but not all (specify which ...)

We agree that this is a good idea, but should not form part of the statutory requirements. It would be good if all residual waste bins and green waste bins were consistent. Food waste is less important as that bin is going to be significantly smaller and recycling is likely to continue to be collected in a number of different ways. If this goes ahead, at least for a transitional period, bins lids alone should be mandatory, or alternatively robust stickers. It makes sense to us for the green waste bin to be green.

Q30 There would be potential for significant costs from introducing standardised bins colours from a specific date. What views do you have on a phased approach or alternative ways to standardising the colours of containers for different materials?

Phased approach 1 – as and when waste contracts are renewed

Q31 Do you have any other comments to make about Proposal 9?

Colour changes in any collection area or preferably disposal area needs to happen at the same time to aid with clear communications, this would not work with as and when new bins are required. It would make clarity worse, not better. Any new statutory responsibility for LAs to implement bin colour consistency would be a new burden and should be fully funded.

Proposal 10

We are proposing to prepare statutory guidance on minimum service standards to which local authorities will be required to have regard. The detail of this guidance will be consulted upon in our second consultation

Q32 Do you agree or disagree with the proposal to publish statutory guidance?
Agree – government should publish statutory guidance

Q33 We propose reviewing the guidance every few years, revising it as required and then allowing sufficient lead-in time to accommodate the changes. Do you agree or disagree with this timescale?

Disagree – it should be less often
Depends on the change and how long a few years is.

Q34 Subject to further analysis and consultation we propose to use the guidance to set a minimum service standard for residual waste collection of at least every alternative week Do you agree or disagree with this proposal?

Disagree – it should be less often
This should be a local decision. If the desire is to drive up recycling, reduce transportation carbon and reduce council spend, it does not make sense for government to stipulate this. If EPR, DRS and weekly food waste are all enacted, there will be significantly less residual waste. The need for regular collections to take into account vermin and smells will be removed for most households, as they will have weekly food collections. There will be very little regular types of residual waste and this should be dry and inoffensive. For households with nappies or incontinence products, special arrangements can be made for the period of time they are required. Larger households could have extra bins, but should not need more frequent collections when food waste is not in the residual bin. The environmental impact of carrying out collections of residual waste fortnightly when bins may only be half full and could be collected less frequently needs to be considered. This will depend on original bin size and other local factors.

Q35 Do you have any other comments to make about Proposal 10?

Proposal 11

We will continue our support for Recycle Now and the tools produced by WRAP to help local authorities to communicate effectively on recycling.

Q36 Do you have any comments to make about Proposal 11?

The Recycle Now web site is a simple but effective tool to signpost householders to the correct recycling practices for their area. A budget for national campaigns will be able to take advantage of the latest methods of communicating with wide audiences, be that social media, apps, smart speakers or the next new thing. WRAP's campaign collateral that can be adapted for local use is invaluable in helping time- and fund-poor LAs communicate professionally with householders using materials developed using customer insights and professional designers. The public at the moment particularly want to be

assured that their plastic recycling is being treated in the correct, environmentally friendly way. Funding that will come directly to LAs for promoting the recycling of packaging through the EPR will be welcomed, as will any funding that will come to LAs to help with promotions under the consistency agenda.

Q37 What information do householders and members of the public need to help them recycle better? Basic pictogram (real life)_ [examples of exactly what LA's are looking to collect on literature](#)

Much more communication about reducing waste and recycling right should be promoted at a national level where economies of scale mean that advertising can access large and receptive audiences with well-developed campaigns. As material types start to be recycled at the kerbside in every LA, how to recycle these and why can be promoted nationally, along with universal waste minimisation messages such as reducing food waste.

Consistency of kerbside services should extend to consistency in how reprocessors accept certain material streams. For clear communication, especially at a national or even county level, there needs to be a consensus on how clean recycling needs to be when presented. Also a consistent message on lids and lids on, labels on, envelopes with and without windows and black plastic of all kinds. Packaging designers should be encouraged to work with end markets to make sure variations in acceptability criteria in these areas are removed. EPR and DRS development should aid this.

Proposal 12

We will work with local authorities and others to improve transparency of information available to householders on the end destination for household recycling

Q38 Do you agree or disagree with this proposal?

Agree – government should work with local authorities and other stakeholders on this

Q39 Do you have any other comments to make about Proposal 12?

We would welcome the ability to communicate with householders about how their waste is recycled via new technologies being developed by government.

Proposal 13

End Markets

Q40 Please use this space to briefly explain any comments you have on the issues discussed in this section.

The end markets are vital, as there is little point collect material if there is no process to use it. End markets must be secure. We are supportive of the proposed plastic packaging tax as a driver for creating end markets for post-consumer plastic waste materials.

[Perhaps a material price protection plan to enable LA's to financially project with more certainty.](#)

Proposal 14

We propose developing a set of non-binding performance indicators for local authorities to use to monitor waste management and recycling and to highlight where services can be improved to delivery higher recycling and minimise waste. In addition to the headline household recycling rate for the local authority we would propose 4 additional indicators covering the yields of dry recycling, food waste for recycling, garden waste for recycling, and residual waste. We would also work with local authorities to develop these and other indicators to reflect areas such as quality or contamination levels and service delivery.

Q41 Do you agree or disagree that introducing non-binding performance indicators for waste management and recycling is a good idea?

Agree

Q42 Do you agree or disagree that the proposed indicators are appropriate?

Agree

Q43 Do you have any comments to make about Proposal 14 or examples of indicators currently in use that may be of assistance?

The smaller numbers involved in Kg per hh per week tend to be less compelling when talking to a householder about the extent of their waste arising when compared to kg per hh per year.

Proposal 15

We will look at metrics that can sit alongside weight-based metrics and will work with stakeholders to develop these as set out in the Resources and Waste Strategy.

Q44 Do you agree that alternatives to weight-based metrics should be developed to understand recycling performance?

Agree

Q45 Do you agree that these alternatives should sit alongside current weight-based metrics

Agree

Q46 What environmental, economic or social metrics should we consider developing as alternatives to weight-based metrics?

We recognise the benefit, however the science behind these alternative targets is still at a young stage and needs to be developed properly and be robust, so that decisions are made that are environmentally or economically the best solution.

Proposal 16

We want to support and enable greater collaboration and partnership working between authorities where this would accelerate the move to consistent collections and improve recycling and delivery of services.

Q47 Do you agree that greater partnership working between authorities could lead to improved waste management and higher levels of recycling?

Agree



Q48 What are the key barriers to greater partnership working?

Historic collection methodology
Lack of alignment of contract end dates
Differing financial positions of different authorities
Proximity to waste transfer stations or deposit points
Different organisational cultures
Political will

Q49 How might government help overcome these barriers?

The government needs to think about the differences between LAs and take seriously the barriers and challenges LAs face. The Government should then make a decision on how to best to support LAs to sustain relationships across boundaries by providing assistance in the most appropriate form, depending on the situation; for example: funding, consultancy support etc. Facilitation and mediation support

Q50 Do you have any other comments to make about Proposal 16?

Part 2 Measures to improve recycling by businesses and other organisations that produce municipal waste

Proposal 17

We want to increase recycling from businesses and other organisations that produce municipal waste. We think the most effective way of doing this would be to legislate so that these establishments have to segregate their recyclable waste from residual waste so that it can be collected and recycled by waste operators.

Q51 Do you agree or disagree that businesses, public bodies and other organisations that produce municipal waste should be required to separate dry recyclable material from residual waste so that it can be collected and recycled?

Agree
Disagree (why ...?)
Not sure/no opinion/not applicable

Q52 Which of the 3 options do you favour?

Option 1 mixed dry recycling and separate glass recycling; no food waste collected for recycling
Option 2 mixed dry recycling and separate food recycling; no glass recycling
Option 3 mixed dry recycling, separate glass recycling, separate food recycling
Something else (please expand ...)
Not sure/no opinion/not applicable

Q53 We would expect businesses to be able to segregate waste for recycling in all circumstances but would be interested in views on where this may not be practicable for technical, environmental or economic reasons

Yes – it should be practicable to segregate waste for recycling in all circumstances
No – some exceptions are needed for particular circumstances (please provide examples below)

Not sure/no opinion/not applicable

Q54 Should some businesses, public sector premises or other organisations be exempt from the requirement?

Yes (which ones and why ...?)

No

Not sure/no opinion/not applicable

Q55 Do you have any other comments to make about Proposal 17?

Proposal 18

Where a business, public body or other organisation produces sufficient quantities of food waste we propose to legislate for this to be separated from residual waste and arrangements made for it to be collected and recycled.

Q56 Do you agree or disagree that businesses, public bodies or other organisations that produce sufficient quantities of food waste should be required to separate it from residual waste so that it can be collected and recycled?

Agree

Disagree (why ...?)

Not sure/no opinion/not applicable

Q57 Do you agree or disagree that there should be a minimum threshold, by weight, for businesses public bodies or other organisations to be required to separate food waste for collection?

Agree

Disagree (why ...?)

Not sure/no opinion/not applicable

Q58 Do you have any views on how we should define 'sufficient' in terms of businesses producing 'sufficient' quantities of food waste to be deemed in scope of the regulations?

Q59 Do you have any views on how we should define 'food-producing' businesses?

Q60 In addition to those businesses that produce below a threshold amount of food waste, should any other premises be exempt from the requirement?

Yes (which ones and why ...?)

No

Not sure/no opinion/not applicable

Q61 Do you have any other comments to make about proposal 18?

Proposal 19

If the proposals above are adopted, we would like to support businesses, public sector and other organisations to make the transition. In particular we would like to find ways to reduce the impact on small and micro businesses.

Q62 What are your views on the options proposed to reduced costs?

Q63 Are there other ways to reduce the cost burden that we have overlooked?

Q64 Do you have any other views on how we can support businesses and other organisations to make the transition to improved recycling arrangements?

Proposal 20

As part of implementing consistency, we will work with waste producers and waste collectors in the non-household municipal sectors to improve reporting and data capture on 62 waste and recycling performance of businesses and other organisations. Any requirements will be subject to consultation.

Q65 Do you have any views on whether businesses and other organisations should be required to report data on their waste recycling performance?

Agree

Disagree (why ...?)

Not sure/no opinion/not applicable

Q66 Do you have any other comment on Proposal 20?



Department
for Environment
Food & Rural Affairs

District Councils' Network- Engagement Session December 2022

Separate Weekly Household Food Waste
Collections - New Burdens Capital Funding
Formula

Collections & Packaging Reforms
Consistency Team



Environment
Agency

Cabinet - Wednesday 8th March, 2023



Forestry Commission



NATURAL
ENGLAND

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Agenda

- Introductions
- New Burdens Background Information
- Review of Funding Formula principles
- Evaluation of Funding Formula concept options
- Overview of preferred concept
- Further work
- Feedback



Local Authority requirements

- The Environment Act 2021 makes amendments to the Environmental Protection Act 1990
- Waste Collection Authorities in England must separately collect food waste weekly unless:
 - (a) it is not technically or economically practicable to collect food waste separately, or
 - (b) collecting food waste separately has no significant environmental benefit (having regard to the overall environmental impact of collecting it separately and of collecting it together).
- Food waste can only be collected together with garden waste in the circumstances described in (a) and (b) above

New Burdens

- Broadly, a New Burden is defined as any policy or initiative which increases the cost of providing local authority services.
- Estimated costs need to be the reasonable cost. There should be no expectation that government will meet all additional expenditure by local authorities regardless of value for money.
- This new burden funding only applies to the requirement for the separate weekly food waste collection from households by Waste Collection Authorities
- WRAP commissioned to undertake the work to develop the capital new burdens funding formula

Capital Funding

- £295m **one-off** capital funding was agreed in last spending review, to be distributed in 2023/24
- It is our intention that:
 - The funding formula relates to the capital element of implementing schemes for separate food waste collections
 - The funding is provided for the purchase of vehicles and containers only to waste collection authorities
 - That where food waste collections are provided in part by the local authority area, costs will be provided to roll out service to the rest of area, but not for containers and vehicles already in place
 - That where food waste collections are provided fully in a local authority area, no additional capital funding will be provided.
- We are seeking your engagement now on the principles that underpin this funding formula.
- This funding formula is still subject to further work and will later be subject to Defra internal governance, cross-government collective agreement and Ministerial agreement. It therefore remains subject to change until these agreements are provided.



Review of funding distribution approaches in a range of sectors (last 5 years)

The aim was to understand good practice and tease out key principles that could be applied to the New Burdens Funding Formula (NBFF)

Formulas looked at included:

- The Local Government revenue support grant
- Healthcare General Practices
- Police
- Schools
- New Homes Bonus
- Homelessness Prevention Grant
- National recycling/waste grant funds; Scotland Wales

Commonalities

Limited previous work has been done to develop funding formulas for waste. Despite differences between sectors it was clear there were commonalities in approach and how they would need to be considered alongside the variables

Commonalities	FWC variables to consider
Population	Flats / communal properties
Deprivation	Non-core collection rounds such as narrow access or remote properties
Rurality	Residual waste containment capacity
Workload	Liner supply method
	Food waste yields
	Recycling rates
	Location of depots and tipping points

Key Findings of the review:

- Funding Formulas in other sectors appear well established and are widely accepted.
- Many are based on modelled values than paying for actual costs and are derived from relevant sector data.
- Many take a bottom up approach. Top down approaches are generally applied where funding is fixed.
- Funding mechanisms are generally distributive in nature rather than being outcomes related. Therefore, the mechanisms are based on inputs rather than outputs.
- There are further refinements that could be made on a formula to incentivise the capture and meet overall objectives.



Evaluation of Funding Formula concept options

Consideration of potential options and
evaluation to focus on a preferred concept

Concepts & Evaluation Process

- 5 options were proposed along with supporting excel workbooks
- Following review and shortlisting, 3 of the options were evaluated
- A long list of criteria was considered for the evaluation process
- 4 key criteria were chosen for scoring:
 - Alignment of the concept to Government manifesto commitments /Govt priority
 - Reflects accurately individual LA costs that would be incurred, within scope set
 - Accords closest to Government principles intrinsic to funding formula methodologies (e.g. see example from MHCLG; Simplicity, Transparency, Contemporary, Sustainability, Robustness, Stability)
 - Simplicity of the calculation for communicating to LAs

Evaluation

Scoring of options undertaken individually by a representative group of Defra staff covering policy, value for money and analysis areas against a scoring key. Results collated by Wrap

Score	Definition	Description
0	Fail	Fails to demonstrate an ability to meet the requirement.
1	Poor	The concept addresses some elements of the requirement but contains insufficient/limited detail or explanation to demonstrate how the requirement will be fulfilled.
2	Acceptable	The concept addresses a broad understanding of the requirement but may lack details on how the requirement will be fulfilled in certain areas.
3	Good	The concept is sufficiently detailed to demonstrate a good understanding and provides details on how the requirements will be fulfilled.
4	Excellent	The concept is comprehensive, unambiguous and demonstrates a thorough understanding of the requirement and provides details of how the requirement will be met in full.



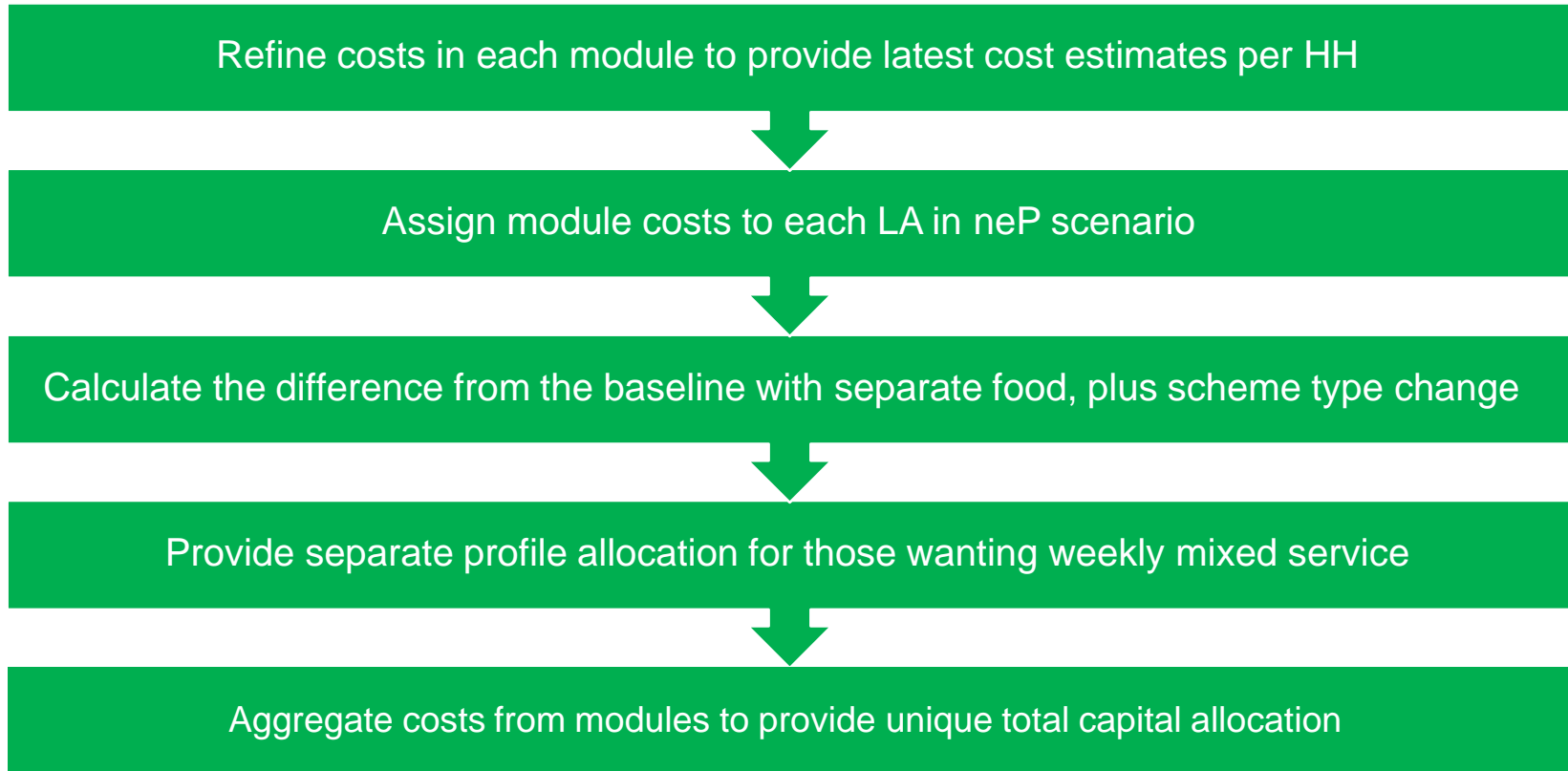
Preferred Concept

Modular split of standardised costs focussing on key workload areas that Councils need New Burdens funding

- This bottom-up approach involves creating modules for common service areas typically operated within each Council area.
- The key modules would be for Kerbside, Flats and Remote Rural properties.
- The modules would each contain standard groupings to account for contextual and service variation within each Council area.
- The cost values are scaled by the numbers of properties reported in each Council area to provide a unique cost allocation for each Local Authority.

Preferred Concept

Bottom-up approach



Variables

- As part of the development of the concept the following variables will be considered
 - Rurality (deprivation and housing density)
 - No of kerbside properties
 - No of flatted properties (high/low rise)
 - Configuration of flatted properties
 - Data on other communal properties
 - Super rural properties and threshold from standard rurality groups
 - Food waste yields
 - Vehicle costs
 - Container costs
 - Additional capex at flats e.g. locks/signage
 - Participation/set out rates
 - Average collection round sizes



Phase 2 refinement of preferred concept by WRAP

Review LGA feedback

Prepare baseline LA scheme profiles

Design targeted data collation and analysis plan

Design research approach/ surveys

Deliver data collation activities

Agree scenarios to run

Prepare new kerbside models

Review model approaches for non-kerbside elements

Prepare LA by LA master sheet to collate all indicate model scenario results

Prepare/build non-kerbside models

Source values from all/new data sourced for models

QA Documentation & Peer review of data gathered

Run final scenarios and review results

Assemble final LA by LA results - provide data to Defra

Defra approval process

- Agree funding formula LA by LA
- Defra internal governance, cross-government collective agreement (including HMT) and Ministerial sign off and agreement
- Issue S31 grant letters and payments



Feedback questions & timeline

- Do you agree with the principles in the proposed funding formula
- Are there any variables that are not accounted for in the formula that would affect the cost of vehicles and containers for separate food waste collections and allocation of funding?
- Are there any variables which may cause costs to be overstated or understated in relation to the collection of food waste
- Feedback should be sent back to beth1.gordon@defra.gov.uk and copied to recycling@defra.gov.uk by 9 December 2022