



Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	CABINET - 2ND SEPTEMBER 2019
Report Number	AGENDA ITEM (15)
Subject	FUTURE JOINT WASTE PARTNERSHIP AND WASTE MANAGEMENT PROVISION
Wards affected	ALL
Accountable member	Cllr. Andrew Doherty - Cabinet Member for Waste, Flooding and Environmental Health Email: Andrew.doherty@cotswold.gov.uk
Accountable officer	Claire Locke Group Manager - Commissioning Tel: 01285 623427 Email: claire.locke@publicagroup.uk
Summary/Purpose	To seek agreement to end the current formal Gloucestershire Joint Waste Committee and form a Waste Partnership to facilitate continued joint working. To gain agreement to withdraw from the Joint Waste Team and request that Publica provide future management of waste functions through a shared contract management service.
Annexes	None
Recommendation/s	That Council be recommended to:- a) Allow the Joint Waste Committee to end on 13th December 2019; b) Support the formation of a structured but less formal Joint Waste Partnership, the detail of which may be subject to a further report in due course; c) Withdraw from the Joint Waste Team on 13th December 2019 and request that Publica provide the waste management function from 14th December 2019; d) Put in place a contract variation between the Council and Publica to obligate Publica to provide services as set out in this report and to increase the Publica contract sum by £53,240 to fund the Officer posts which will transfer to Publica from the Joint Waste Team through the TUPE process to facilitate recommendation (c) above.
Corporate priorities	The Partnership will contribute to the priority in the emerging Corporate Plan to reduce Carbon and the environmental impact of the Council's operations.
Key Decision	YES

Exempt	NO
Consultees/ Consultation	Affected staff will be subject to TUPE consultation once a decision on the future of the Joint Waste Team has been made.

1. BACKGROUND

- 1.1. In April 2013 the Gloucestershire Joint Waste Committee (GJWC) was formed with Gloucestershire County Council (GCC), Cotswold District Council (CDC), Cheltenham Borough Council (CBC) and Forest of Dean District Council. Staff from the in-house waste teams at each authority TUPEd into the Joint Waste Team (JWT), which is administered by GCC. Tewkesbury Borough Council (TBC) joined in 2014. Since then efforts have been made to encourage Stroud District Council and Gloucester City Council to join. To-date they have not done so but have attended JWC meetings as non-partners for a number of years but run their own in-house waste management teams.
- 1.2. On 6th December 2018 Cheltenham Borough Council provided written notice of its intention to leave the Gloucestershire Joint Waste Committee. Under the terms of the Inter Authority Agreement (IAA) that governs the GJWC, CBC must provide 12 months' notice, meaning that it will cease to be a member of the committee from 13th December 2019.
- 1.3. CBC's departure triggers the Termination provisions within the IAA as summarised below. This provides an opportunity for all partners to review their position and the benefits they would seek to gain from any future joint arrangements.
- 1.4. If an Exiting Notice is served (as CBC has done) then the GJWC is dissolved in 12 months' time. Where 2 or more of the remaining partners do not want the agreement to be terminated then they can serve a Continuance Notice on all of the other partners no later than 3 months before the dissolution date.
- 1.5. The GJWC continues to provide the functions and services set out in the IAA between the date of the Exiting Notice and the dissolution date.

2. FUTURE OPTIONS

- 2.1. There has been significant discussion both at the Joint Waste committee and informally between officers and Members regarding the future of the Joint Waste Committee and team. Based on discussions to-date it is clear that all the partner authorities, including Cheltenham, Stroud and Gloucester City are keen to work together but there is no support for a continuation of the current Committee arrangement. There would be no value in Cotswold District Council seeking a continuation of the Committee as Cheltenham has already formally withdrawn leaving only four partners remaining and Tewkesbury have informally stated they do not wish to continue. There would be little value in a committee that represented a maximum of three partners of the seven in the County. The Forest of Dean and Gloucestershire County Councils have yet to make a formal statement but both have indicated an informal partnership is likely to be their preferred option.

2.2. The focus is therefore on what arrangement, if any, should replace the Committee following termination and what delivery model should be used for waste management.

2.3. Consultants 'Local Partnerships' were jointly commissioned to explore the Committee's activities, performance and future options. Lead officers and Members from each Council were interviewed to understand what had worked well and had not worked well through the Committee structure and aspirations for the future. The report is available on request from the Committee Services Team

Some of the key points raised were:

- The fact that not all authorities are part of the Joint Waste Committee has limited the effectiveness of the Committee. There is a desire for a less formal partnership that all authorities would join.
- The lack of shared decision making – the Committee has made few joint decisions.
- The Committee has delivered neither significant change nor innovation but it has not been resourced to do so. Whilst it has an ambitious Business Plan, the resources allow for little beyond day to day business as usual waste management activities.
- An intelligent client function is required to manage contractors.
- The current arrangement created issues with conflict of interest with the Joint Waste Team representing both the District and County Councils.
- Powers as Waste Collection and Waste Disposal authorities are delegated to the Committee - some Councils want to take those powers back.
- There is a desire to share infrastructure such as transfer stations.
- The Committee has delivered some qualitative benefits but there have not always been tangible financial benefits on which to build a business case to encourage Gloucester and Stroud to join the Committee.
- The envisaged benefits of shared decision making have not been realised.
- A partnership would still be strategic but control would be maintained by the individual Councils. It may work better as all seven authorities are likely to join whereas the Committee only included five partners.
- Focus should be on joint campaigns not trying to do everything the same.

2.4. The Local Partnerships report sets out the advantages and disadvantages of the options to cease a partnership arrangement, continue the commitment or create a less formal partnership.

Termination

2.5. The termination process requires existing functions to be transferred back to each partner authority; together with the break up and reassignment of staff within the JWT (who would either TUPE transfer to the various partners or go through a redundancy process). The staffing situation is complicated by the fact that certain JWT staff support more than one partner authority. A final set of accounts will have to be prepared and any contracts commissioned by GCC on behalf of the districts, transferred to the relevant partners.

- 2.6. Each partner authority will then become responsible for delivering the waste management functions currently provided by the JWT. This risks a duplication of effort and resources, and a loss of the coordination that has been built up through the GJWC, so careful consideration is needed for the future delivery model.

A Future Partnership

- 2.7. The Report has provided a valuable focus for discussions which have indicated that there is a will from all partners to have a structured partnership but without the formal committee structure. The desire is for a partnership to deliver communications, promotional campaigns and joint procurement (i.e. aligning fleet and containers) and therefore clear objectives will be required to ensure these benefits are achieved.
- 2.8. There is a shared view that to successfully deliver this some element of joint role needs to remain to administer the Partnership and coordinate joint initiatives. Without this shared role, it is unlikely joint working will fulfill its potential as none of the authorities have spare capacity to undertake this coordination role. That said there is a concern that this role will not add sufficient value and will not result in any tangible savings. Ubico have also put forward a proposal to deliver coordination and administration of a Partnership; however, the Local Partnerships report advises against this approach. Work to consider this is therefore ongoing and options to explore external funding for this role on a two year fixed term basis are being explored so that the benefits can be reviewed overtime. As the best option for the delivery of a coordination role has not been concluded, a further report will be brought to Cabinet in October/November if there are any budgetary implications.

Waste Management Provision

- 2.9. The decisions on the Committee and the Joint Waste Team are separate but related. The Team could continue when the Committee ends; however, as highlighted in paragraph 2.1 above, Cheltenham and Tewkesbury have stated they do not wish to be part of a Joint service, so the only other potential partners are Gloucestershire County Council and Forest of Dean District Council.
- 2.10. If the Committee ceases, the Council could consider the following options for managing its waste service:

Cotswold Team - An individual waste team providing waste management just within the District.

Publica Team - A joint Publica Waste team providing waste management services across Forest of Dean District Council, Cotswold District Council and West Oxfordshire District Council.

Retained Joint Waste Team - A Gloucestershire Joint Waste Team (but without the Committee structure) – only viable if both Forest of Dean District Council and Gloucestershire County Council agree.

Outsourcing - Outsourcing the waste management function to a third party.

Cotswold Team

- 2.11.** An individual Cotswold waste team will increase current service costs, lacks resilience and misses opportunities for joint working. Within the Joint Waste Team, the Council benefits from access to a range of skills and the resilience provided by a bigger team. The estimated additional cost of a Cotswold team would be in the region of £40,000 - £50,000.
- 2.12.** The benefit of this model is the service would be entirely focused on the District's priorities. However, in the other models this can be achieved through clear priority setting, business planning and performance management. There would be a loss in resilience, a breadth of expertise, joint working and the benefits of learning best practice although this may be achieved in part through a Joint Partnership. There would be no opportunities for efficiency savings and as indicated above annual revenue costs would rise.

Publica Team

- 2.13.** A Joint Publica team would share resources, manage costs and build resilience. It would offer the opportunity to deliver joint initiatives and procurement and cross boundary working. The Publica Commissioning function is currently being redesigned to offer a more modern, innovative and adaptive structure based on the functions that Publica need to deliver to meet the Councils needs, rather than being based on historical service structure. The relevant Joint Waste Team staff would be integrated into this new structure as part of the TUPE process.
- 2.14.** A joint contract management function would build contract management expertise whilst providing a locality based service focused entirely on the needs of that District Council. There would however be resilience across the structure avoiding the single point of failure issues that arise from small individual teams.
- 2.15.** The contract management function would deliver services for the Cotswold, Forest of Dean and West Oxfordshire Councils initially. The change is simply that the Waste management function currently undertaken by the JWT would transfer across to Publica.
- 2.16.** Effort will need to be made to ensure strong links remain with GCC, to coordinate the Waste Collection Authority and Waste Disposal Authority roles.
- 2.17.** This model provides the opportunity to expand a Contract Management function to other partners with relative ease, this would offer particular benefits within existing Counties of Gloucestershire and Oxfordshire and for authorities that receive services from Ubico or Biffa but would not be limited to these.
- 2.18.** The Joint Publica service would be delivered at no additional cost. Each authority would pay an appropriate apportionment of costs so that no council is subsidising the other. The current Council contribution, to Gloucestershire County Council, to fund its share of the Joint Waste Team will be reallocated to fund the additional Publica contract cost.

Retained Joint Waste Team

- 2.19.** The continuation of a Gloucestershire Joint Waste Team would share resources but its efficiency and resilience will be dependent of the number of other Districts/County willing to pursue this model. It should be noted that without both Forest of Dean District Council and Gloucestershire County Council agreeing to this option this model will not be available to the Council. It is unlikely a continuation of the Joint Waste Team will be agreed but is included here as it remains an option at this stage.

Outsourcing

- 2.20.** Outsourcing the service externally to a third party is likely to be an expensive option and may result in a loss of local knowledge. Without procuring an external Waste Management service it is hard to estimate costs but this is likely to be the most expensive option increasing annual revenue costs by at least £50,000 per year without any improvements to capacity or service.

Summary

- 2.21.** Based on the likelihood that there will be a maximum of three partners in Gloucestershire wishing to remain in the Joint Waste Team and there are no guarantees that both Gloucestershire County Council and Forest of Dean District Council will wish to do so, and an in-house or outsourced service will be more expensive than the current service provision, it is recommended that the service is transferred to Publica. Publica would propose to deliver a shared contract management function for Cotswold, Forest of Dean and West Oxfordshire District Councils which would build resilience whilst managing service costs, effectively replacing the Joint Waste Team with a Publica shared contract management team.

3. FINANCIAL IMPLICATIONS

- 3.1.** Cotswold District Council currently pays £53,240 per annum to Gloucestershire County Council for the waste management function. In addition, a contribution of £12,000 per annum is made towards the Joint Waste Team Head of Service who provides strategic management and supports the Joint Waste Committee.
- 3.2.** If a coordinating shared role is agreed to administer the Joint Partnership and coordinate activities such as promotional campaigns, and funding cannot be secured by grant or other funding award, the Council would need to contribute towards the costs. This could be wholly or partially funded from the saving in £12,000 contribution towards the Head of Service role. However as this has not yet been concluded, it will be the subject of a future report if necessary.
- 3.3.** If the Council elected to continue with the Joint Waste Team it is likely its staff costs will increase, as not all other partners are likely to remain in the partnership. It is possible the Joint Waste Team may just consist of Gloucestershire County Council funded staff and Cotswold District Council funded staff (with Forest of Dean District Council yet to make a decision). Even with changes to roles, i.e. making the Head of Service role a part time function, there is a risk it will cost this Council in excess of £10,000 a year more and, depending on the number of partners, this cost increase could be considerably higher.

- 3.4. If Publica administers this function there will be no cost increases; and some cost savings are anticipated by bringing together in-house and externally delivered services which will be more efficient. A future service design is currently being developed by Publica to ensure good contract management capability and an identified point of contact in each locality for Members. Savings from these changes have not yet been calculated.
- 3.5. If the Joint Waste Team is disbanded, staff in the Team, who are all currently employed by Gloucestershire County Council, would either TUPE to the authority they undertake most work for, or, if there is no continuation of their role, they would be made redundant. In this case the authorities who fund the post being made redundant would be liable for the redundancy costs. The detail of any redundancy costs are not yet known and cannot be calculated until all councils have taken a decision on the future of the Joint Waste Team. That said, no redundancy costs are anticipated for this Council.

4. LEGAL IMPLICATIONS

- 4.1. The Council can issue a Continuation Notice if it wishes to continue with the Joint Waste Committee. If two or more Councils issue a Continuation Notice the Committee would be reformed. There is no clear indication at this stage that another council intends to issue a continuation notice.
- 4.2. Decisions on the Joint Waste Committee and Joint Waste Team are separate but related decisions.
- 4.3. The transfer of staff will be subject to TUPE and the Councils must ensure they comply with these provisions.
- 4.4. The new Partnership will be informal but structured with clear objectives and a work plan. It will not however be subject to a formal Inter Authority Agreement like the formal Joint Waste Committee. If there is a shared coordinating role developed there will need to be an agreement to manage/govern this but that will be covered by a future report, if necessary.

5. RISK ASSESSMENT

- 5.1. This Council will need to take a decision before the decisions of all other partners is known and therefore the full cost implications of each option can be calculated. Should the costs exceed the provisional sums included in this report, a further report will be considered by the Council.
- 5.2. Reforming the Joint Waste Committee without sufficient partners would make the partnership inefficient and create little value.
- 5.3. Ceasing all structured partnership working countywide is likely to result in duplication of effort and resources, increased cost and multiple messages to the public as no one district authority has the spare resources to coordinate messages and campaigns on behalf of all partners.
- 5.4. Continuing the Joint Waste Team without sufficient partners is likely to increase costs for the Councils who are included.

- 5.5. All partners need to make a decision in September/October so that the decision can be reported to the Joint Waste Committee on 8th October 2019. If this Council decides to instruct Publica to provide their Waste management function, staff consultation would commence regarding new proposed structures within the Publica Commissioning Group, affecting existing Publica employees and existing Joint Waste Team employees who would transfer into the Publica Commissioning team.

6. EQUALITIES IMPACT (IF REQUIRED)

- 6.1. The proposed changes will impact on staff employed within the Joint Waste Team who would be subject to the TUPE Provisions (Transfer of Undertakings (Protection of Employment) Regulations). Their rights and any impacts on individuals resulting from the transfer will be fully considered and consulted on as part of the TUPE process.
- 6.2. There should be no impact on customers as a result of these changes.

7. CLIMATE CHANGE IMPLICATIONS (IF REQUIRED)

Staff working across multiple sites will need to travel; however, the carbon impact of shared working is being actively mitigated through smart working (remote working, teleconferencing etc.). The environmental impact on contract management functions will be fully considered as part of the Climate Change strategy and action plan which is currently being developed.

8. ALTERNATIVE OPTIONS

- 8.1. As set out in the body of the report.

9. BACKGROUND PAPERS

- 9.1. The following documents have been identified by the author of the report in accordance with section 100D.5(a) of the Local Government Act 1972 and are listed in accordance with section 100 D.1(a) for inspection by members of the public:
- Cabinet Report – 3rd November 2011 – Formation of the Joint Waste Committee in Gloucestershire and associated minutes
- 9.2. These documents are available on the Council's website.

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