

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting:	25 June 2012
Report of:	Legal and Democratic Services Manager
Subject/Title:	Management and Governance Arrangements for Joint Waste Contracts

1.0 Report Summary

- 1.1 Following the recent decision by both Cheshire East and Cheshire West and Chester Councils to discontinue the Waste PFI Project, which was managed by the Joint Waste Board, consideration has been also now been given by that Board to whether the remaining joint waste contracts should continue in their current form and be managed by the current waste team, as currently constituted.
- 1.2 At its meeting on 1 May 2012 the Joint Waste Board resolved that: -
- (1) the continuation of the existing joint waste management contract arrangements be agreed, until the end of the current Waste Disposal (landfill) contract extension on 31 March 2014; and
 - (2) Option 2 of the three set out in the report be adopted; as follows-
The Portfolio Holders to:
 - meet at a minimum frequency per year (to be agreed);
 - request and receive reports from officers on the joint waste contracts;
 - make such arrangements as necessary to discuss and agree mutually acceptable actions to be taken as a result of the reports;
 - take decisions where the appropriate delegated powers exist;
 - make recommendations to their respective Council's Cabinet and Executive as appropriate.

2.0 Decision Requested

- 2.1 That the decision made by the Joint Waste Management Board on 1 May 2012 be noted and that the Portfolio Holder (Environmental Services) and appropriate Officers put in place the necessary arrangements to replace the Joint Waste Board.

3.0 Reasons for Recommendations

- 3.1 An extension to the existing joint waste management contract arrangements until 31 March 2014, with the contracts continuing in their current form and being managed by the joint waste team as currently constituted will, in the intervening period, enable a detailed exploration to be made of the

implications of dividing the remaining joint contracts and for apportioning liabilities for the closed landfill sites.

- 3.2 Option 2, resulting in the dissolution of the existing Joint Waste Board, means that the governance of the joint waste contracts will be undertaken by the Portfolio Holders with responsibilities for waste in each Council. This approach will significantly reduce the burden on Portfolio Holder time, provide greater flexibility, and streamline decision making by allowing reports to be submitted directly to the decision makers.

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications

- 6.1 The Council undertakes a considerable amount of joint working and shared services with Chester West and Chester Council. The Joint Waste Board was originally responsible for the governance of the joint waste contracts and the now discontinued Waste PFI project.

7.0 Financial Implications (Authorised by the Director of Finance and Business Services)

- 7.1 Administrative efficiencies are noted in the report. There are no other particular financial implications relating to this decision.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 The Council had the option of continuing its current joint governance arrangements with Chester West and Chester Council should it have preferred to do so. Alternatively the Board could have continued to meet with a reduced number of meetings per year.

9.0 Risk Management

- 9.1 The potential implications and liabilities that would be incurred under each of the joint contracts were assessed by the Joint Board for the key implications in the event of the contracts being split. There was considered to be little risk in adopting any of the three options for governance arrangements.

10.0 Background and Options

- 10.1 The Joint Waste Board (the Board) has been responsible for governance of the joint waste contracts and of the now discontinued Waste Treatment PFI procurement project. The Board was established as a consultative body and

under the terms of an Inter Authority Agreement (IAA) dated 26 March 2009 it meets on an 'as and when' basis, but not less than six times per financial year, in order to make recommendations to the respective Cabinet/Council Executive; the Board does not have decision making powers.

- 10.2 The discontinuance of the Waste PFI Project means that this element of the joint working falls out of the scope of the IAA.
- 10.3 Up until now the main focus of the Board's activities has been the Waste PFI project, with reports taken from time to time on issues relating to the other joint waste contracts. Currently the two Council's hold joint contracts for the Management of Household Waste Recycling Centres, the Disposal of Residual Waste, the Monitoring of Closed Landfill Sites, and the Collection and Recycling of Waste Electrical and Electronic Equipment.
- 10.4 The contracts are managed by a joint team based in Winsford and hosted by Cheshire West and Chester as lead Council; the joint team is funded by both Councils.
- 10.5 At its meeting on 1 May 2012, and following the recent decision by both Council's to discontinue the Waste PFI Project, the Board reviewed whether the contracts should be managed jointly or whether they should be split. It also considered whether existing governance arrangements should continue.
- 10.6 Three options were considered, these being
- Option 1 - No change;
 - Option 2 - Dissolution of the existing Joint Waste Board with the governance of the joint waste contracts being undertaken by the Portfolio Holders with responsibility for waste in each Council;
 - Option 3 - To maintain the current Joint Waste Board arrangements with a reduced number of meetings per year.

Option 2 was recommended to the Board as it would significantly reduce the burden on Portfolio Holder time, provide greater flexibility and streamline decision making by allowing reports to be submitted directly to decision makers.. It would also save on the resources required to run large meetings.

- 10.7 The Board resolved that: -
- (1) the continuation of the existing joint waste management contract arrangements be agreed, until the end of the current Waste Disposal (landfill) contract extension on 31 March 2014; and
- (2) Option 2 of the three set out in the report be adopted; as follows-
- The Portfolio Holders to:
- meet at a minimum frequency per year (to be agreed);
 - request and receive reports from officers on the joint waste contracts;
 - make such arrangements as necessary to discuss and agree mutually acceptable actions to be taken as a result of the reports;

- take decisions where the appropriate delegated powers exist;
- make recommendations to their respective Council's Cabinet and Executive as appropriate.

11.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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