

THURSDAY, 10 DECEMBER 2015

REPORT OF THE PORTFOLIO HOLDER FOR HOUSING AND WASTE MANAGEMENT**STAFFORDSHIRE WASTE PARTNERSHIP MEMORANDUM OF UNDERSTANDING****EXEMPT INFORMATION****PURPOSE**

To advise Cabinet of a pan-Staffordshire agreement to collaborate on all waste management matters with a common aim of producing efficiencies.

RECOMMENDATIONS

It is recommended that Cabinet:

- **Authorise the Chief Executive and Leader to sign the Memorandum of Understanding without specifying any fixed policy exemptions.**
- **Agree, in the spirit of the MoU, there will be no fundamental service changes implemented while the county wide review process is underway, minor necessary operational changes excepted**

EXECUTIVE SUMMARY

Tamworth Borough Council together with its partner in the Joint Waste Lichfield District Council are members of the Staffordshire Waste Partnership. The Partnership is a collaboration of all the councils in Staffordshire which work together on waste management issues and it comprises of the eight District Councils, Staffordshire County Council and Stoke on Trent City Council.

The total spend on waste management across Staffordshire is circa £55 million per annum.

Whilst the partnership has successfully worked on a number of initiatives which have delivered improvements in efficiency for member authorities there has been no formal approach taken to reducing the overall cost of waste management in Staffordshire.

The partnership is proposing that each member authority commits via a memorandum of understanding to work together to identify potential areas of savings in order to minimise the costs of waste collection and disposal whilst preserving service quality. In particular authorities will consider the holistic approach of all actions and decisions to achieve the best outcome for the Staffordshire tax payer, therefore avoiding "cost shunting" between the partners.

In order to achieve the savings, it is deemed that long term alterations to the way the service is delivered and managed are necessary to produce the efficiency improvements. A full baseline assessment, identifying detailed options for potential change and their prospective associated cost savings has already commenced.

External support to complete the options appraisal is required and will therefore incur a one off cost. Staffordshire Waste Partnership applied for funding of £20,000 from the Local Government Association to provide extra resource. This application has been approved and the partner authorities are currently considering how best to deploy the resource as part of

this options analysis. The grant has to be spent by 31st March 2016 and this process will be overseen by both the Joint Waste Management Board and Staffordshire Chief Executives.

Previous attempts at increased collaboration on waste collection and disposal across Staffordshire have not been taken forward. In part, this appears to be because there was insufficient recognition of the policy positions / formal decisions of individual local authorities which prevented a larger scale collaborative approach being taken.

Whilst there is no desire to limit the options that may be examined as part of this work, it was prudent to set out as part of the Memorandum of Understanding any current fixed waste policy positions of individual local authorities. This is to ensure there is full transparency at the outset rather than discovering their existence after large amounts of detailed work have been completed. Lichfield and Tamworth have advised the Staffordshire Waste Partnership that they do not have any fixed policy positions and are open to consider all options.

Any proposals that arise from the options appraisal which would impact on Tamworth Borough Council, the shared service, and its Residents will be brought forward for approval through the usual decision making processes.

The Memorandum is an operational document and not a formal or legally binding contract. However partners will agree to share in trust and confidence all financial, operational and policy details that are necessary to achieve the objectives set out in the Memorandum.

Set out in simple, non-legalistic, terms the way that the Partners to the Memorandum will work together on waste management issues in order to maximise efficiency and value for money. The MOU signifies a commitment to change in order to deliver savings whilst delivering efficient standards that are fit for purpose in the light of the financial, legal, technical and operational factors applicable at the time from a financial envelope of circa £55m across all 10 authorities.

The Memorandum represents a high level political commitment for the ten local authorities in Staffordshire to work together on a programme of change which is aimed at minimising the costs of waste collection and disposal whilst preserving service quality.

The Partners, individually and collectively, will by signing the Memorandum agree to the following key principles:

- A. To work in collaboration to achieve financial savings, efficiency improvements, and economies of scale in waste collection, disposal and minimisation, as agreed in the refreshed Joint Municipal Waste Management Strategy for Staffordshire and Stoke on Trent, formally adopted by all partners in 2014.
- B. To consider the holistic approach of all actions and decisions to achieve the best outcome for the Staffordshire tax payer, therefore avoiding “cost shunting” between the partners.
- C. To pro-actively and objectively investigate the potential for shared arrangements such as joint procurement, joint contracts, shared services and collection strategies.
- D. To ensure that only the partners who collaborate to implement change and achieve financial savings receive the proportionate benefits. For example, if three local authorities collaborate to create savings, it is the three councils that benefit in full from the savings; the other authorities do not receive any of the financial benefit.
- E. To fully consider the consequences of any changes to the other partners and to consult any plans with all partners in advance of any decisions being formally made.
- F. To objectively examine the operational and financial impact of any proposals before

taking political decisions in regard to implementation.

The Memorandum of Understanding is attached as Appendix 1 to the report

OPTIONS CONSIDERED

None – this is a broad agreement to undertake a strategic options appraisal Staffordshire wide

RESOURCE IMPLICATIONS

None arising from the agreement of the MoU

LEGAL/RISK IMPLICATIONS BACKGROUND

None directly arising from this report

SUSTAINABILITY IMPLICATIONS

The outcome of the work undertaken as a result of the Memorandum of Understanding should have a positive impact on the delivery of waste services in Tamworth

BACKGROUND INFORMATION

Nil

REPORT AUTHOR

Andrew Barratt Director Assets & Environment x 453

LIST OF BACKGROUND PAPERS

APPENDICES

Staffordshire Waste Partnership Memorandum of Understanding

This page is intentionally left blank