

Report to: Lead Member for Transport and Environment

Date of meeting: 21 October 2019

By: Director of Communities, Economy and Transport

Title: New Waste Recycling Cost Sharing Agreement between East Sussex County Council (ESCC) and Lewes District Council (LDC)

Purpose: A new Waste Recycling Cost Sharing Agreement has been agreed with LDC; setting out the credits that ESCC will pay to LDC for the recycling that they deliver to and retain from the Integrated Waste Management Services Contract. Delegated Authority is required to sign the agreement.

RECOMMENDATIONS: The Lead Member is recommended to:

- (1) Approve the County Council entering into arrangements with Lewes District Council relating to the payment of recycling credits, as detailed in this report; and**
 - (2) Delegate authority to the Director of Communities, Economy and Transport to agree the terms of the proposed Waste Recycling Cost Sharing Agreement (WRCSA) with Lewes District Council (LDC) as well as any other District and Borough Councils within East Sussex where there is a statutory basis for doing so, and to take all other actions necessary in relation to such agreements and arrangements including variations or termination thereof.**
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1 Background Information

1.1. The Environmental Protection Act (1990) sets out obligations for a Waste Disposal Authority (WDA) to make a payment to a Waste Collection Authority (WCA) where the WCA retains recycling waste.

1.2. Further to the report to Cabinet dated 9 March 2010, under which authority was granted to enter into the WRCSA, the WRCSA has been the mechanism for paying recycling credits to the East Sussex Waste Collection Authorities since 2010/11.

1.3. This Agreement was terminated by mutual agreement of all parties on 28 June 2019, from which point the district and borough councils delivered the previously retained dry mixed recycling (DMR) to the County Council to manage.

1.4. LDC is unique amongst the district and boroughs, in that they are the only WCA in East Sussex to collect food waste and to retain their green waste. As a result, an agreement with LDC is needed to set out recycling credit arrangements. A new WRCSA has been drafted and agreed between ESCC and LDC.

2 Supporting Information

2.1. Where LDC delivers food waste to ESCC to make arrangements for the processing through the Council's disposal contract, a payment is made to support the collection costs and encourage the separate collection of this waste stream. Composting food waste is cheaper than

disposing of it in the black bag waste and offers clear environmental benefits over incinerating it for energy recovery.

2.2. ESCC is passing to LDC the full saving generated from them collecting food waste separately for recycling rather than it being in the black bag bin and being incinerated at Newhaven Energy Recovery Facility (ERF). This is £19.86 per tonne (indexed) based on 900 tonnes, making a total saving of £17,874 per annum.

2.3. The credit for retained green waste is £28.53 per tonne (indexed). Based on annual green waste tonnages of 1,700 the payment will be £48,501.

2.4. The total recycling credit payment to LDC will be approximately £66,375 per annum. The Waste Team have the budget available to make these payments to LDC, as they are a pass-through or a share of the disposal costs that are avoided by LDC collecting and dealing with the recycling in this way.

2.5. The ESCC Legal Team has drafted an Agreement that reflects these arrangements and both parties are happy and ready to sign, once delegated authority is in place.

3 Conclusion and Reasons for Recommendations

3.1. Both parties have agreed and are happy to sign up to the terms of the new WRCSA. The Lead Member is therefore recommended to approve the County Council entering into a new WRCSA with LDC, and to grant delegated authority to the Director of Communities, Economy and Transport to agree the terms, including any variation required in the future, or termination of the Agreement in the event the recycling credit is no longer due.

3.2. Additionally, although it is not currently anticipated that further WRCSAs are required, the Lead Member is recommended to delegate authority to the Director of CET to negotiate and enter into WRCSAs with district and boroughs, should the need arise.

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LOCAL MEMBERS

All

BACKGROUND DOCUMENTS

WRCSA between ESCC and LDC