

South Hams Executive



Title:	Agenda
Date:	Thursday, 13th April, 2023
Time:	10.00 am
Venue:	Council Chamber - Follaton House
Full Members:	<p style="text-align: center;">Chairman Cllr Pearce</p> <p style="text-align: center;">Vice Chairman Cllr Bastone</p> <p><i>Members:</i> Cllr Baldry Cllr Holway Cllr Hawkins Cllr Hopwood</p>
Interests – Declaration and Restriction on Participation:	Members are reminded of their responsibility to declare any disclosable pecuniary interest not entered in the Authority's register or local non pecuniary interest which they have in any item of business on the agenda (subject to the exception for sensitive information) and to leave the meeting prior to discussion and voting on an item in which they have a disclosable pecuniary interest.
Committee administrator:	Democratic.Services@swdevon.gov.uk

- 1. Minutes** **1 - 10**
to approve as a correct record the minutes of the meeting of the Executive held on 2 March 2023;
- 2. Urgent Business**
brought forward at the discretion of the Chairman;
- 3. Division of Agenda**
to consider whether the discussion of any item of business is likely to lead to the disclosure of exempt information;
- 4. Declarations of Interest**
In accordance with the Code of Conduct, Members are invited to declare any Disclosable Pecuniary Interests, Other Registerable Interests and Non-Registerable Interests including the nature and extent of such interests they may have in any items to be considered at this meeting;
- 5. Public Question Time** **11 - 12**
a period of up to 15 minutes is available to deal with questions submitted to the Council in accordance with the Executive Procedure Rules;
- 6. Executive Forward Plan** **13 - 16**
- 7. Waste and Recycling Services Update** **17 - 36**

**MINUTES OF A MEETING OF
THE EXECUTIVE
HELD IN THE COUNCIL CHAMBER ON THURSDAY 2 MARCH 2023**

Members in attendance:			
* Denotes attendance			
∅ Denotes apologies for absence			
*	Cllr K J Baldry	*	Cllr T R Holway
*	Cllr H D Bastone (Vice Chairman)	*	Cllr N A Hopwood
*	Cllr J D Hawkins	*	Cllr J A Pearce (Chairman)

<p>Non-Executive Members also present either in person or remotely for all or part of the meeting:</p> <p>Cllrs Abbott, Brazil, Brown, Long, O’Callaghan, Pannell, Pringle and Rowe</p>
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Officers in attendance and participating:		
All items		Senior Leadership Team; Monitoring Officer; Democratic Services Manager; Assistant Director – Planning; Head of Housing; Head of Revenues and Benefits; Head of Assets; Specialist – Climate Change and Principal Assets Officer

E.77/22 MINUTES

The minutes of the Executive meeting held on 26 January 2023 were confirmed as a true and correct record.

E.78/22 DECLARATIONS OF INTEREST

Members and officers were invited to declare any interests in the items of business to be considered during the course of this meeting.

Cllr H Bastone declared an interest in agenda item 18 ‘Plymouth and South Devon Freeport’ (Minute E.92/22 below refers) by virtue of being the Council’s nominated Director of the Plymouth and South Devon Freeport and remained in the meeting and took part in the debate and vote thereon.

E.79/22 PUBLIC QUESTION TIME

The Leader informed that no public questions had been received in accordance with the Executive Procedure Rules.

E.80/22 EXECUTIVE FORWARD PLAN

Members were presented with the most recently published version of the Executive Forward Plan that set out items on the agenda for Executive meetings for the next four months and duly noted its contents.

In view of the forthcoming District Council Elections, Members requested that the lead Executive Members' names be removed from the items of business listed for post 4 May 2023.

E.81/22 **BETTER LIVES FOR ALL – YEAR 3 UPDATES**

A report was considered that set out an updated year 3 delivery plan for the Better Lives for All Strategy

In her introduction, the Leader stated how successful the Strategy had been with good progress being made on most (but not all) of the actions contained therein.

During the ensuing debate, the success of the Strategy was recognised, however a request was made for the pictorials be more varied.

It was then:

RECOMMENDED

That Council be **RECOMMENDED** to approve the minor amendments to the Year 3 Better Lives for All delivery plans (as set out in Appendix A of the presented agenda report).

E.82/22 **MONTH 10 REVENUE BUDGET MONITORING 2022/2023**

A report was considered that enabled Members to monitor income and expenditure variations against the approved budget for 2022/23 and that also provided a forecast for the year end position.

During discussion, reference was made to:-

- (a) income generated from Employment Estates. Whilst some commercial units had recently been constructed, it was felt that there remained much demand for additional employment space in the district and it was hoped that the new Council administration would give great emphasis to this requirement;
- (b) planning income. It was noted that, whilst the number of planning applications received remained high, the anticipated shortfall in income was attributed to the reduction in large (major) applications;
- (c) the work of Treasury Management officers. Members wished to put on record their gratitude for the excellent work carried out by Treasury Management officers.

It was then:

RESOLVED

That the forecast income and expenditure variations for the 2022/23 financial year and the overall projected surplus of £127,000 (1.2% of the total Budget of £10.464 million) be noted

E.83/22 CAPITAL PROGRAMME MONITORING 2022/23

The Executive considered a report that advised of the progress made on individual schemes within the approved Capital Programme, including an assessment of their financial position.

In discussion, Members welcomed the commitment in the published agenda report for a 'fundamental review to be carried out into all capital schemes within the existing Programme.

It was then:

RESOLVED

That the content of the Capital Programme Monitoring Report be noted.

E.84/22 WRITE-OFF REPORT Q1 AND Q2 2022/23

A report was considered that informed Members of the proposal to write-off a series of debts with a value of more than 5,000 for the period from 1 April 2022 to 30 September 2022.

It was then:

RESOLVED

1. That it be noted that, in accordance with Financial Regulations, the Section 151 Officer has authorised the write-off of individual South Hams District Council debts totalling £94,271.49 (as detailed in Tables 1 and 2 of the presented agenda report);
2. That the write-off of individual debts in excess of £5,000 totalling £81,599.34, (as detailed in Table 3 of the presented agenda report) be approved; and
3. That, with effect from 1 April 2023, the Council Tax, Non-Domestic rates (Business Rates) and Housing Benefit overpayments write-off policy (as attached at Appendix .A of the presented agenda report) be adopted.

E.85/22 COUNCIL TAX DISCRETIONARY DISCOUNT POLICY

Members considered a report which sought approval for the Council Tax Discretionary Discount Policy

In the ensuing debate, Members were supportive of the further measures contained within the Policy that would enable the Council to provide additional support to residents.

It was then:

RESOLVED

1. That approval be granted to implement the Council Tax Discretionary Discount Policy (as attached at Appendix A of the presented agenda report) from 1 April 2023; and
2. That authority be delegated to the Director of Strategic Finance (S151 Officer) to agree awards of a Council Tax Discretionary Discount, which have been recommended for authorisation by the Principal Revenues Officer, in consultation with the Head of Revenues and Benefits.

E.86/22 HOUSING CRISIS UPDATE

The Executive was presented with a report that sought approval for three actions to help address the Housing Crisis declared by the Council.

In discussion, the following points were raised:

- (a) It was confirmed that local Ward Members and the Town Council were engaged with the proposed affordable-led housing scheme in Kingsbridge;
- (b) Such was the extent of support given for the proposal to purchase up to 7 properties, some Members felt that this should be extended to the maximum permissible 11 properties. In recognising the point, the Leader felt that it was a delicate balance when proposing the use of Section 106 monies and it was her view that local stakeholders should be given at least two years to bring forward proposals within the area from which Section 106 monies had been obtained. Furthermore, the challenges associated with purchasing 7 properties before November 2023 were also noted.

Notwithstanding the challenges, a majority of Members did still ask for the option to purchase up to 11 properties to be kept in mind and, should the opportunity present itself, a further report be presented back to the Executive.

- (c) Members reiterated the legal duty upon the Council to house homeless people;

- (d) Lead officers and the Leader of Council were thanked for their unwavering commitment to addressing the Council's Housing Crisis and the contents of the published agenda report were felt to be excellent examples of the work that was being undertaken.

It was then:

RESOLVED

1. That the spending of up to £385,000 of Section 106 Affordable Housing Contributions be approved for the purchase of up to 7 properties as part of the Government Local Authority Housing Fund;
2. That the Head of Assets, in consultation with the Head of Housing and Section 151 Officer, be authorised to identify within the available funding, up to 7 suitable properties and to take the necessary steps for the Council to purchase those properties;
3. That the progress of the Expressions of Interest exercise proposed to bring forward affordable-led housing schemes in Kingsbridge be noted; and
4. That the spending of Section 106 Affordable Housing Contributions on the terms set out at exempt appendix A of the presented agenda report be approved.

E.87/22 DEVELOPMENT MANAGEMENT / PLANNING ENFORCEMENT IMPROVEMENT PLAN UPDATE

Members considered a report that provided an update on progress made against the key elements of the Planning Improvement Plan.

During her introduction, the Leader highlighted the service improvements that were already being realised but did also accept that there were further improvements still to be made.

In the ensuing debate, reference was made to:

- (a) some of the further service improvements to be made. At the invitation of the Leader, the Assistant Director Planning highlighted further future improvements to be made that included:

- Development Management Committee decisions to include time limits on the need to sign Section 106 Agreements;
- A comprehensive review of the Council's Enforcement Policy with the overriding aim of providing a more consistent approach;
- Additional training provision for Planning Enforcement Officers; and

- Consideration being given to the approach to Consultation and Engagement on Conservation Area Appraisals.

(b) the work of officers in the Development Management service. A Member wished to record her thanks to officers, who worked exceptionally hard in very difficult circumstances.

It was then:

RESOLVED

1. That progress on delivery of the Planning Improvement Plan and the update on performance be noted;
2. That officers be instructed to bring a report on the delivery of the improvement plan to the Executive in 6 months' time; and
3. That the progress with the development of Conservation Area Appraisals and Neighbourhood Plans over the past 2 years be noted.

E.88/22

SERVICE LEVEL AGREEMENT SHDC AND SOUTH DEVON AONB

Further to the meeting of 13 October 2022 at which it was agreed that additional funding of £8,000 would be made to South Devon AONB subject to a Service Level Agreement (SLA) (Minute E.45/22 refers), Members considered a report that set out the proposed SLA.

In debate, the following points were raised:

- a) To ensure that the lead Executive Member was kept informed, an addition was **PROPOSED** and **SECONDED** to Recommendation 3 that read as follows:

3. that officers be instructed, in consultation with the lead Executive Member, to monitor the performance measures set out in the SLA and that the additional year2 funding is contingent upon the targets being achieved

When put to the vote, the addition was declared **CARRIED**;

- b) Some Members were of the view that the working relationship between the AONB Unit and the Council had become rather distant in recent years and that this was regrettable. As an example, Members used to be in receipt of regular briefing notes and reports from the Unit that they no longer received;

- c) Some further frustrations were expressed by the Executive over the delays in responses from the Unit to planning applications and the apparent lack of consistency of approach. These resulted in much frustration amongst Members and the general public and it was hoped that this agenda item would lead to improvements being realised in this regard. However, in disagreement with these views, another Member felt the need to retain a sense of perspective as the Unit was felt to have a number of conflicting work priorities and was not blessed with plentiful resources.

It was then:

RESOLVED

1. That the proposed Service Level Agreement (SLA) with South Devon AONB (as shown at Appendix A of the presented agenda report) be approved in respect of securing focused support to meet the demand of South Hams District Council Development Management Service;
2. That the £8,000 per annum as agreed at the Executive meeting of 13 October 2022 (Minute E.45/22 refers), be added to the existing Annual payment to South Devon AONB with effect from 1 April 2023; and
3. That officers be instructed, in consultation with the lead Executive Member, to monitor the performance measures set out in the SLA and that the additional Year 2 funding is contingent upon the targets being achieved.

E.89/22 OFF-STREET PARKING ORDER AMENDMENT

Members were presented with a report that sought approval for the introduction of pay and display charges at the new Dartmouth Health Hub car park and amendments made to other existing charges as set out in Appendices A and B of the presented agenda report.

When questioned, officers clarified the electric car charging point provisions in the car park.

It was then:

RESOLVED

1. That the Head of Assets be authorised to publish notice of proposals for the South Hams District Council (Off-Street Parking Places) (Variation No.1) Order 2022; the amendments to be made to be:
 - 1.1 A new car park to be named as Dartmouth Health Hub car park and incorporated into the Order;

- 1.2 To introduce pay & display charges at the Dartmouth Health Hub car park in accordance with Appendix A of the presented report;
 - 1.3 To amend the pay and display charges in Dartmouth Park & Ride car park in accordance with Appendix B of the presented agenda report; and
 - 1.4 To introduce Dartmouth Health Hub Reserved Parking Permit for Health Hub staff use (staff & authorised visitors to be administered by NHS); and
2. That the Head of Assets be requested to prepare a subsequent report summarising any representations received in response to the notice of proposals for consideration by the Executive before making a decision to make the Off-Street Parking Places Order as proposed or with modifications.

(NOTE. By virtue of being local Ward Members, Cllrs Bastone and Hawkins abstained from the vote on this agenda item).

E.90/22

RECRUITMENT AND RETENTION

The Executive was presented with a report that detailed a range of actions being taken to respond to ongoing recruitment and retention challenges, which included a comprehensive new organisation development plan. The report also included advice following an independent report undertaken by the Local Government Association on senior officer pay.

Following the introduction, the Executive congratulated officers on the quality of the organisational development plan that had recently been launched to staff. In reply, the Chief Executive stated that he and his officer team were fully committed to making the plan work;

(NOTE. Once all questions had been asked, the Council's Senior Leadership Team left the meeting room prior to the debate on this agenda item).

During debate, the following points were raised:

- (a) In emphasising the importance of staff retention, Members recognised the importance of remaining (and continuing to remain) competitive on pay in the constantly evolving employment market;
- (b) The challenges and additional complexities associated with working across two different local authorities was highlighted and, as a consequence, Members felt that the Senior Leadership Team represented excellent value for money;

- (c) Whilst acknowledging the annual requirement to publish the pay policy statement, a Member hoped that these proposals would not lead to a significant increase in the multiplier between senior officer salaries and the Council's median average earnings.

It was then:

RESOLVED

1. That the action taken to respond to recruitment and retention challenges, as set out in paragraphs 2.4 to 2.9 of the report be noted; and
2. That Council be **RECOMMENDED** to accept the recommendations of the independent report on senior officer pay, undertaken by the Local Government Association, and approve the revised pay and grading structure for the Senior Leadership Team.

E.91/22 **EXCLUSION OF PUBLIC AND PRESS**

RESOLVED

That in accordance with Section 100(A)(4) of the Local Government Act 1972, the public and press be excluded from the meeting during consideration of the following item of business as the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Act is involved

E.92/22 **PLYMOUTH AND SOUTH DEVON FREEPORT**

The Executive considered an Exempt report which sought approval for the acquisition of Freeport land and a change to the approved borrowing terms.

During discussion, it was recognised that a final decision would be required by Full Council on 30 March 2023 and it was agreed that an all Member Briefing should be convened before this meeting.

It was then:

RECOMMENDED:

That Council be **RECOMMENDED** to approve each of the four parts of the recommendation as set out in the exempt agenda report.

(Meeting commenced at 10.00 am and concluded at 12.25 pm)

Chairman

(NOTE: THESE DECISIONS, WITH THE EXCEPTION OF MINUTES E.81/22, E.90/22 (PART 2) and E.92/22 (WHICH ARE RECOMMENDATIONS TO THE COUNCIL MEETING TO BE HELD ON 30 MARCH 2023) WILL BECOME EFFECTIVE FROM 5.00PM ON MONDAY, 13 MARCH 2023 UNLESS CALLED IN, IN ACCORDANCE WITH SCRUTINY PROCEDURE RULES)

PUBLIC QUESTIONS AT EXECUTIVE MEETINGS

There is a period of 15 minutes at meetings of the Executive during which members of the public can ask questions about items on the agenda.

Any member of the public who wants to ask a question should ensure that the question:

- a) is no more than 50 words in length;
- b) is not be broken down into multiple parts;
- c) relates to an item included on the agenda; and
- d) is suitable to be considered. A question will not be suitable if, for example, it is derogatory to the Council or any third party; relates to a confidential matter; it is about a specific planning matter; or it is substantially the same as a question asked in the past six months.

Questions should be sent to Democratic Services (Democratic.Services@swdevon.gov.uk) by **1.00pm** on the Monday before the meeting (the deadline will be brought forward by a working day if affected by a bank holiday). This will allow a detailed response to be given at the meeting. If advance notice of the question cannot be given the Chairman of the meeting has the discretion to allow questions on matters that are felt to be urgent;

For any further advice on questions to the Executive, or to request a copy of the full Public Questions Procedure Rules, please contact Democratic Services (Democratic.Services@swdevon.gov.uk)

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Executive Leader's Forward Plan

About the Forward Plan

This is the Leader of Council's provisional forward plan for the four months starting April 2023. It provides an indicative date for matters to be considered by the Executive. Where possible, the Executive will keep to the dates shown in the plan. However, it may be necessary for some items to be rescheduled and other items added.

The forward plan is published to publicise consultation dates and enable dialogue between the Executive and all councillors, the public, and other stakeholders. It will also assist the Council's Overview and Scrutiny Committee in planning their contribution to policy development and holding the Executive to account.

Local authorities are required to publish updated forward plans on a regular basis. The Plan is published on the Council's website (www.southhams.gov.uk)

About the Executive

The Executive consists of six Councillors. Each has responsibility for a particular area of the Council's work.

- Leader of the Council with specific responsibility for Improving Homes / Protecting, Conserving and Enhancing our Built and Natural Environment – Cllr Judy Pearce
- Deputy Leader of the Council with specific responsibility for Stimulating a Thriving Economy – Cllr Hilary Bastone
- Lead Executive Member for Environment – Cllr Keith Baldry
- Lead Executive Member for Health and Wellbeing – Cllr Jonathan Hawkins
- Lead Executive Member for Climate Change and Biodiversity – Cllr Tom Holway
- Lead Executive Member for Council Services – Cllr Nicky Hopwood

Further information on the workings of the Executive, including latest information on agenda items, can be obtained by contacting Democratic Services on 01803 861105 or by e-mail to democratic.services@swdevon.gov.uk

All items listed in this Forward Plan will be discussed in public at the relevant meeting, unless otherwise indicated with *



Forward Plan from April 2023

Portfolio Area	Report Title and Summary	Lead Member / Officer	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Environment	<p>Title: Waste and Recycling Service</p> <p>Purpose: To consider a report that provides an update on the waste & recycling service performance and the implications of the Environment Act on the next phase of the service redesign.</p>	Cllr Baldry / Steve Mullineaux	Report of the Deputy Chief Executive	13 April 2023	
Leader	<p>Title: Q4 Integrated Performance Management Report 2022/23</p> <p>Purpose: To consider a report that presents Quarter 4 of the Integrated Performance Management report for 2022/23</p>	Cllr / Neil Hawke	Report of the Head of Strategy and Projects	22 June 2023	
Leader	<p>Title: Draft Annual Report of Achievements</p> <p>Purpose: To consider a report that presents the Council's draft Annual Report of Achievements for 2022/23</p>	Cllr / Neil Hawke	Report of the Head of Strategy and Projects	22 June 2023	
Health and Wellbeing	<p>Title: Allocation of Section 106 Funds for Open Space, Sport and Recreation Projects</p> <p>Purpose: To consider a report that seeks approval to the allocation of Section 106 funds.</p>	Cllr / Alexis Huggins	Report of Specialist – Place Making	22 June 2023	
Council Services	<p>Title: Customer Journey</p> <p>Purpose: To consider a report that provides an update on the Customer Journey.</p>	Cllr / Steve Mullineaux	Report of the Deputy Chief Executive	22 June 2023	



Portfolio Area	Report Title and Summary	Lead Member / Officer	Documents to be considered in making decision	Date of Decision	Consultees and means of consultation
Council Services	<p>Title: Planning Improvement Plan – Six-Month Review</p> <p>Purpose: To consider progress against the six-month review of the Planning Improvement Plan.</p>	Cllr / Ali Wagstaff	Report of the Assistant Director Planning	21 September 2023	

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Report to: **Executive**

Date: **13 April 2023**

Title: **Waste and Recycling Services Update**

Portfolio Area: **Lead Member for waste and recycling services – Cllr Baldry**

Wards Affected: **All**

Urgent Decision: **N** Approval and clearance obtained: **Y**

Date next steps can be taken: The recommendations will be considered by the Special Council at its meeting to be held on 13 April 2023.

Author: **Steve Mullineaux** Role: **Director, Customer Service Delivery**

Sarah Moody **Assistant Director Waste, Recycling & Operations**

Contact: **Email: Steve.mullineaux@swdevon.gov.uk**

RECOMMENDATIONS:

That the Executive:

1. **NOTES the successful transfer of the service, the improvement in service performance and the key operational risks that the service is operating under;**

2. **RECOMMENDS TO COUNCIL:**

(a) To utilise the Vehicle and Plant Earmarked Reserve and the one-off implementation budget, to purchase end of life fleet replacements and the fleet required for the roll out of the remaining properties onto the Devon Aligned Service (DAS) in October 2023 which is anticipated to cost £2.16million;

(b) To use internal borrowing of up to £0.5million to fund the improvements to the Torr Depot, with the associated revenue costs of £35,000 per annum for 25 years (the life of the asset) being financed by efficiencies and savings delivered by the service;

(c) To allocate £180,000 from the Revenue Grants Earmarked Reserve to fund additional project management capacity; and

(d) That the setting of fees and charges for the waste and recycling service is delegated to the Director for Customer Service and Delivery, in consultation with the Leader of the Council, the lead Executive Member for waste and recycling and the Section 151 Officer.

1. Executive summary

- 1.1 This report updates the Executive on the progress and performance of the waste service since it returned to Council control on 3 October 2022.
- 1.2 It sets out the detailed work undertaken in the last 6 months following the successful transfer, to improve the service. Section 4 of the report illustrates the significant improvement in waste and recycling collection performance. The next steps to maintain this performance and improve all other aspects of the overall service such as street sweeping are detailed in Section 5.
- 1.3 The report details how the current 3 tier recycling system that is currently in place in the District, (Devon Aligned Service, Co-mingled, Blue and Clear plastic sacks), fails to:
 - meet the Environment Act 2021 requirements
 - meet the needs of our residents
 - and is financially unsustainable
- 1.4 Whilst there are operational and other risks associated with introducing the service in October 2023, which are detailed in the report, continuing with the current 3 tier service is not an option.
- 1.5 The vision of the Devon Aligned Service (DAS), which fully meets the requirements of the Environment Act 2021, can be extended from the current 50% of households to more than 98% of households in the District.

1.6 In doing so, the Council will meet the needs of residents by offering a:

- Weekly food waste collection; and
- Weekly recycling of paper, card, plastics, metal tins and glass.

This improvement in the service, will enable to the Council to increase recycling rates and contribute to the Councils climate change and biodiversity targets.

1.7 The Cross-Party Waste Working Group met on 30 March 2023 to review the service transition and consider the issues. The Group unanimously agreed with the recommendations and conclusions presented in the report.

2. Background

2.1. At its meeting on 14 July 2022, Council agreed to terminate the waste and recycling collection contract by mutual agreement, resulting in the transfer of all services provided under the contract back to the Council with effect from 3 October 2022 (Minute 24/22 refers).

2.2. At its meeting on 21 September 2022, the Executive recommended to Council (Minute E.33/22 refers) and on 22 September 2022 Council approved (Minute 35/22 refers), the approach to the transfer of the service set out below and the next steps to improving the service. The key priorities being:

- a. The safe transfer from FCC to the Council on day one.
- b. A period of stabilisation to ensure that residents receive a reliable service. (Known as the transitional period of up to 9 months).
- c. To improve recycling collections within the district. (Known as the improvement phase which will last up to 18 months).

2.3. In January 2022, the Cross-Party Waste Working recommended to the Executive that in considering options for the service:

- i. That the service provided to residents did not deteriorate further.
- ii. That any service change resulted in minimum disruption to residents.
- iii. That the existing workforce was reassured over the change in management and control.
- iv. That it enabled the Council to deliver a consistent collection service following transfer as soon as possible.
- v. That it improved the service and increased recycling rates in the South Hams.

2.4. The service successfully transferred on Monday, 3 October 2022 and all actions outlined in the Executive report of 21 September were completed on target. Actions undertaken since the transfer are detailed in Section 3 of this report.

2.5. At its meeting on 1 December 2022 (Minute E.60/22 refers), the Executive received a report that provided an update on:

- i. The successful service transfer.
- ii. The approach to improving the service through the transitional period.
- iii. The work underway to build a comprehensive operating budget beyond the transitional period.

2.6. **The Environment Act 2021**

2.6.1. The Environment Act 2021 received Royal Assent in November 2021 and has come into force in stages since then. The Act sets out several initiatives to reduce residual waste and increase recycling. These impact manufacturers, retailers, waste disposal and collection authorities and their supply chain. The Act proposes amendments to the Environment Act 1990 relating to the separation of waste. When in force the amendments will require all collection authorities, which includes the Council, to collect the following materials:

- Glass
- Paper
- Card
- Metal
- Plastic
- Food waste (specified as weekly)

2.6.2. The amendments will also enable the Secretary of State to exempt or extend the materials to be collected separately and also to issue statutory guidance.

2.6.3. Through DEFRA (Department for Environment, Food and Rural Affairs) the Government has been consulting with manufacturers, retailers, waste disposal and collection authorities about how the new duties are to be discharged; the frequency and consistency of collections; the content of statutory guidance and transitional arrangements. The results of this consultation and how the Government intends to proceed have been expected since November 2022.

2.6.4. DEFRA have suggested that 'new burdens' funding will be available to support local authorities implementing a weekly food waste collection, however at this stage there are no firm proposals on the criteria, timeframes, or value.

2.7. The Devon Aligned Service

2.7.1. The Devon Aligned Service (DAS service) enables all Devon District Councils to collect the materials outlined in paragraph 2.6.1. Initiated ahead of the Environment Act 2021 the service aligns with the Act's goals and objectives.

2.7.2. The rationale being to improve recycling rates and reduce recyclable materials entering the residual waste stream, ultimately contributing to the national climate change targets.

2.7.3. The kerbside collection method means that materials are segregated at source reducing contamination and improving the quality of recycling. This results in more material being recovered for reuse and achieving a higher recycle value.

2.7.4. The Current materials are collected as shown on the following page:



2.8. South Hams Recycling schemes in operation

2.8.1. Currently approximately 22,500 households receive the full DAS service.

2.8.2. A further 8,000 households (approximately) are still on the old blue and clear sack recycling sacks. This service is a fortnightly service and limits residents to recycle the following materials:

- Plastics
- Cans
- Paper
- Card

These households cannot recycle glass without visiting one of the bottle banks and their food waste is mixed with their residual waste (Black bin) and is processed via incineration.

2.8.3. The remaining households (approximately 15,000) receive a weekly co-mingled collection. Residents receive a weekly collection that allows them to recycle all the materials as per the DAS service **with the exception of food waste**. Like those households described in 2.8.2, these residents must use their residual collection to dispose of their food waste which is incinerated.

2.8.4. The annual cost to the Council of haulage and processing of the materials for the recycling systems described in paragraphs 2.8.2 and 2.8.3 is in excess of £500,000 per annum.

3. Service Transition and Performance

3.1. The service successfully transferred on Monday 03 October 2022 and all actions outlined in the Executive report of 21 September were completed on target. Within 3 months, the Council's project team successfully:

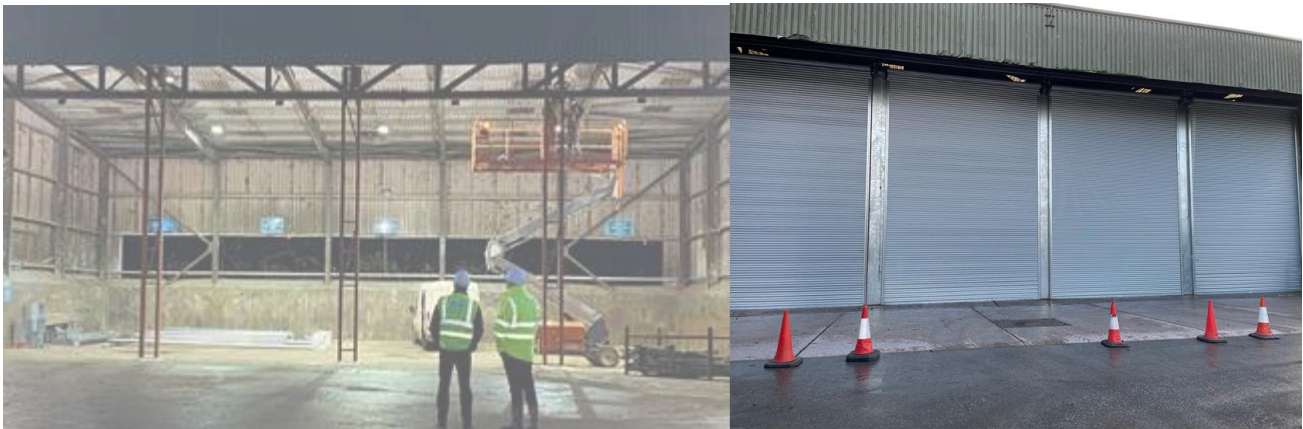
- Transferred waste operating permits and the transport O-licence to ensure the service could operate legally.
- Procured haulage, material reprocessing, vehicle maintenance and fuel contracts.
- Procured, configured, and installed the back office and customer IT systems, tablets and mobiles used by the crews.
- Negotiated and completed land agreements to ensure a safe operation.
- Identified and completed Health and Safety (H&S) improvements and repairs.
- Introduced Council H&S risk assessments, training and working procedures for staff.
- TUPE transferred all staff and secured 98% of the agency workforce, which on Day 1, represented 40% of the workforce.
- All staff received Council branded Personal Protection Equipment (PPE) and uniform.

3.2. By Day 3 (5 October) all collection rounds were successfully deployed and as of 23 March 2023, (almost 6 full months) have continued to be fully deployed.

3.3. During the intervening 6 months the team have undertaken key actions to stabilise and improve the service. These are detailed below:

3.3.1. **Torr Quarry Depot.** The depot has a large transfer station shed for the bulking and storing of waste before it can be transported onward for processing. The original door for the shed (which had been in place for over 20 years) broke shortly before the transfer of the service and despite the contractor's best efforts was unrepairable due to obsolete parts. Replacing the door was a key requirement for the Environment Agency

permit regime to keep the site compliant and operational. A new and improved solution was procured (from a local contractor), designed and installed in under eight weeks. The new doors required a new electrical system, lighting was upgraded, and key structural repairs were also undertaken by the Council's property services team. During this refit period, waste had to be redirected to neighbouring facilities in Torbay and Plymouth increasing pressure on the overall operation. Service performance was maintained, and the work completed on schedule, ahead of the Christmas period. The photographs that follow show some of the work undertaken.



3.3.2. Christmas holiday period. The second major challenge for the service was to maintain the service throughout the Christmas holiday period. Increased volumes across all waste streams plus the 3 bank holidays, necessitated staff working overtime over 3 consecutive weekends. Extra crews were deployed to collect cardboard ahead of the main recycling rounds ensuring that the main vehicles could complete their rounds without having to return repeatedly to the depot to empty the vehicle thus maximising their capacity. Every member of the management team also supported a round in collecting the high volumes of materials. No major issues occurred, and performance was maintained.

3.3.3. Staffing & Supervision. New depot managers and supervisors have been recruited to strengthen the team. Regular all staff meetings take place with the Assistant Director and Director on a bi-monthly basis. Recruitment of staff has been a continuous process and successful. The reliance on agency staff has been significantly reduced with less than 10% employed through external agencies, reducing costs and mitigating operational risks. Staff consultative forums have been reintroduced with staff side representatives providing a voice and a platform in which to suggest new initiatives, service improvement ideas as well as raise constructive concerns.

3.3.4. Pay and Reward. In consultation with unions and staff representatives, the Council has offered a new set of terms of conditions which offer additional benefits to operational staff and ensure the Council can continue to deliver the service. The new terms align pay rates to the local government pay scales ensuring that the Council can offer competitive pay rates to recruit and retain staff.

3.3.5. Culture. One of the fundamental key priorities has been to remove the previous management's 'us and them' culture. Making management accessible, approachable and a key part of the Council workforce. The depot staff facilities are being upgraded and offices made open plan. Managers and the Council's wider team now work alongside the operatives allowing for a more inclusive and collaborate working environment to improve the service for our residents. To date Ivybridge has been completed (see photographs below) and work has now commenced at Torr.



3.3.6. Health and Safety and Compliance. Incremental improvements continue to be made to ensure that safe working practices are embedded across the operation. The team undertook an enormous amount of work before the service transfer and particularly the weekend before go-live to ensure the safety of our staff and visitors to the waste sites such as depot line painting, reviewing, and creating risk assessments, and replacing signage. The team continue to build on these improvements. Environmental compliance has been improved in relation to the transfer stations with a recent unannounced inspection by the local Environment Agency inspector to our Torr Quarry site finding only 2 minor defects. The previous inspection prior to the service transfer day had identified 8 significant defects.

3.3.7. **Garden Waste Service.** Following the Council’s decision to offer a subscription-based Garden Waste collection service, the team have designed, marketed, and successfully launched the service. The new routes were tested by managers and drivers to ensure that they were achievable and tweaked based on staff feedback. As a result, in the first 2 fortnightly cycles of operation, the Council only received 49 missed collection reports from customers, that were then revisited the following day.

By 23 March 2023:

- 11,356 households had signed up for the service
- Totalling 12,005 subscriptions
- Achieved the budgeted income target of £575,000.

The income is funding the cost of providing a garden waste service.

4. Service Performance

4.1. The cumulative effect of all the actions detailed in section 3 of this report, combined with the drive and commitment of the whole team to improve the service for our residents has been transformational in terms of service performance as illustrated by the following graphs. The industry standard measure of service performance is a target of no more than 80 missed bins per 100,000 collections.

4.2. Table 1 shows the performance of the service over the last 12 months.

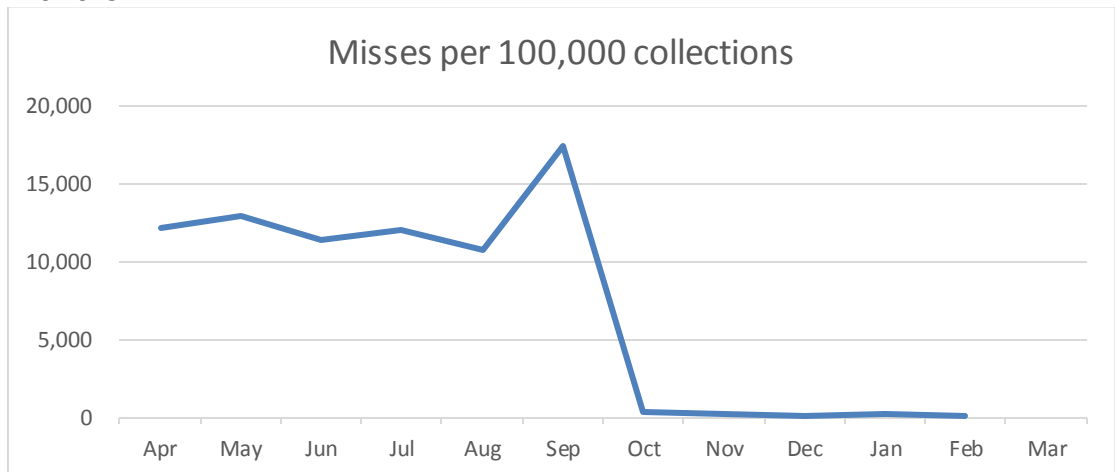


Table 1: Misses per 100,000 collections

4.3. Due to the scale, Tables 2 and 3 breakdown the missed collections for each period. **Note the vertical axis scale is significantly different.**

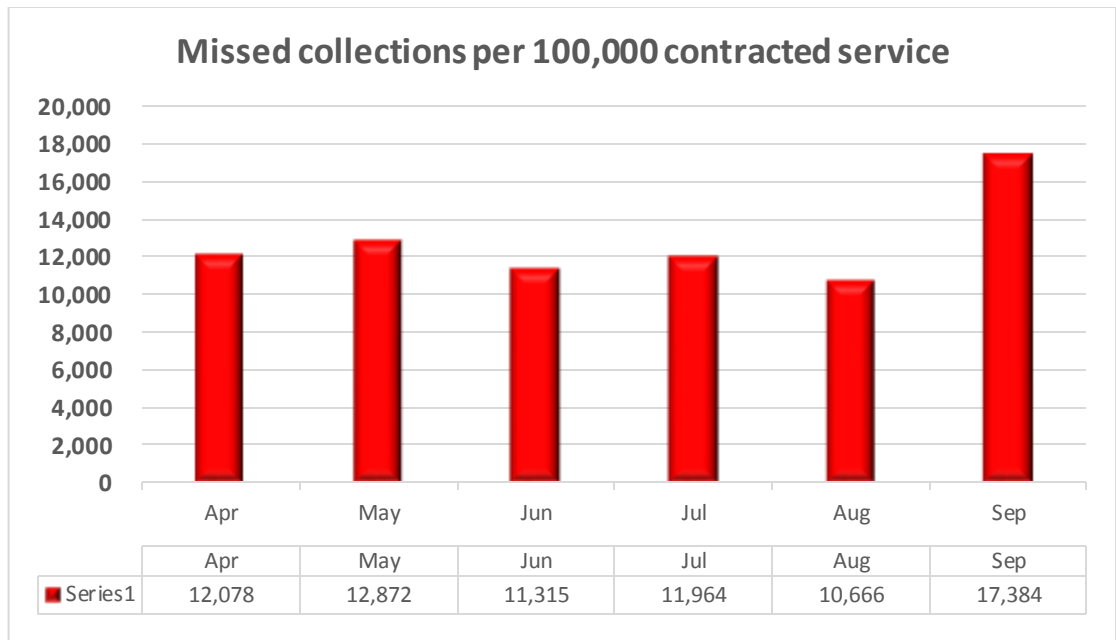


Table 2: Missed collections per 100,000 April to September 2022

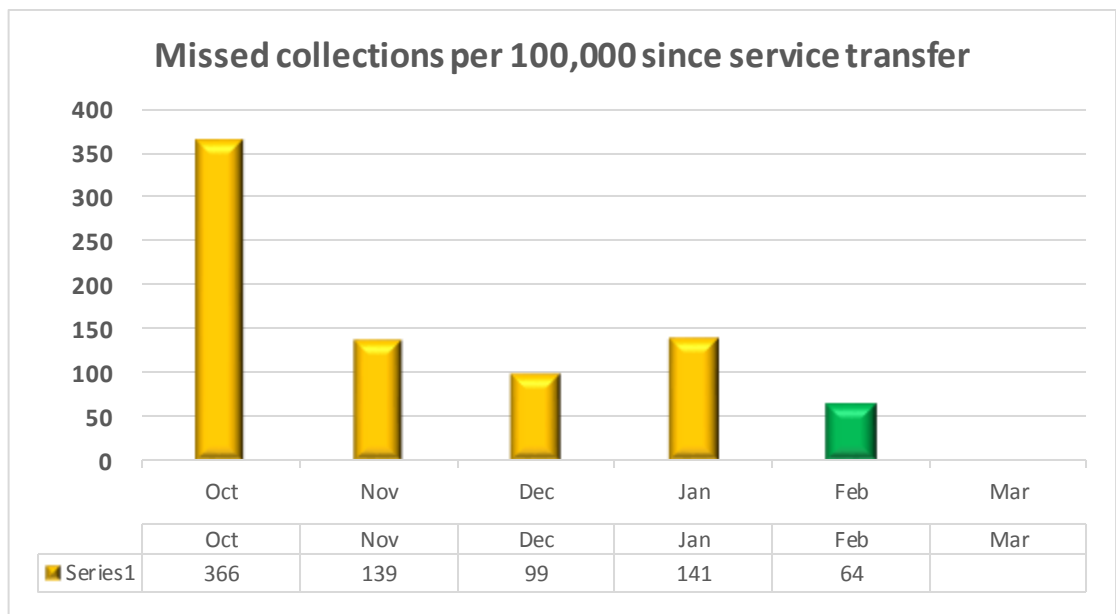


Table 3: Missed collections per 100,000 October 22 onwards

- 4.4. Tables 1-3 show a fundamental improvement in performance such that in February 23 for the first time in over 3 years the service achieved the national industry standard performance target.
- 4.5. In addition to improving the collection service and the launch of the garden waste service, the team have focussed on maintaining the delivery of the toilet cleaning, litter bin emptying, bottle bank emptying, bulky collection, trade waste service, replacement and repair of wheelie bins and recycling containers.

4.6. The team have also been working hard to ensure that the street cleaning service is operational and more details of this are included in section 5 of the report.

5. Service Continuity and Next Steps

- 5.1. Maintaining performance is clearly the primary objective but coupled with this are a key number of actions required to provide long-term stability to the service. These include:
- Strategic procurements of fuel, vehicle maintenance, material haulage.
 - Transfer station compliance.
 - Health and Safety.
- 5.2. **Street Cleansing Service.** As stated in paragraph 4.6 Street Cleaning is a key priority, work is underway to document all activity undertaken for the key services of:
- Street Sweeping
 - Litter Bin Emptying
 - Town Barrowman
 - Robust monitoring
- 5.3. The large mechanical sweeper is now carrying out street cleaning across the district and a 6 weekly schedule has been devised to ensure that all key areas are covered whilst leaving capacity to carry out ad hoc sweeping as required.
- 5.4. The small mechanical sweepers are used in the main towns and their residential areas. Schedules are being designed around the priority zoning of priority and frequency. These sweepers are prone to breakdowns and require frequent emptying and a review is underway to assess their suitability against newer technology.
- 5.5. To improve the street scene, the team have been:
- Weeding key parts in the Towns to bring them back to a high standard.
 - Assessing and prioritising replacement litter bins, repairs and deep cleaning activities.
- 5.6. **A38 and major roads.** The Council has commissioned a specialist highways company to carry out overnight litter picking on both sides of the 13 miles of the A38 that runs through the South Hams. This will include slip roads and should be completed by 13 April. In addition to this, the team are reviewing its Chapter 8 (H&S legislation form working safely on highways) staffing and training requirements.
- 5.7. **Holiday high season.** The team have been involved in planning resources to ensure that visitors see the best of the South Hams as well as considering supporting local events before and after.

5.8. We have also recruited a new Head of Operations (start date 06 April) who will be responsible for the Localities, Grounds Maintenance, Property Maintenance and Car Parking teams. One of the elements of the role will be to maximise joint working across these services and the waste operations team, delivering efficient and effective working to improve the street scene and environment across the district. Work has already started to improve collaboration with an event held on 28 March 2023 in which all Operational teams and Council wide support services met for the morning to network, set priorities for the summer, work together to unblock challenges, and understand how their roles, equipment and functions can support one another.

6. Full roll out of the Devon Aligned Service

- 6.1. The Council's overarching strategy since 2019 has been to roll out the DAS service to all households and to include a weekly food waste collection as set out in the Environment Act 2021.
- 6.2. In 2021 the Council's waste contractor initiated a phased roll out of the DAS service, but this was subsequently suspended with the contractor citing challenges around the rurality, access issues and not having sufficient/enough vehicles for delivery.
- 6.3. Since taking the service back on the 03 October 2022, Officers supported by external technical advisors have been reviewing the collections data, vehicle capacity and surveying the Council's waste depots to understand implications and considerations around the ability to implement the DAS service and understand any associated risks.
- 6.4. Officers have instructed Integrated Skills, who are a route optimisation company, to provide a high-level indicative indication of the number of routes and vehicles required to support the full roll out of DAS. Further detailed work to validate these assumptions is scheduled imminently which will include operational input from the depots and operatives.
- 6.5. Analysis of the routes indicates that the following additional vehicles are required:
- 8 x 7.5t smaller narrow access vehicles
 - 2 x 12t kerbside sort vehicles
- 6.6. Previously, as part of the contractor's proposals it was assumed that all the DAS service recyclable material would be tipped and bulked at the Council's Ivybridge depot. However, with the increase in vehicles required to roll-out the service, the site cannot support the additional vehicle movements safely which would result in increased wait times for vehicle tipping and would then significantly impact the ability to complete the rounds.

- 6.7. Officers are now exploring options to utilise the Council's Torr Quarry depot, however recent guidance announced by the Environment Agency around the use of exemptions on permitted waste sites creates new challenges that will require additional infrastructure works to be undertaken to work towards compliance. The Environment Agency will be looking to remove some exemptions from permitted sites with timescales currently unknown. Where exemptions are in place additional infrastructure is required to minimise the fire risk and risk of polluting the environment should one occur.
- 6.8. The Torr Quarry infrastructure works will introduce additional fire protection measures which will work towards achieving fire compliance as set out in the Environment agency's fire prevention plan guidance.
- 6.9. With significant lead times for the procurement, manufacture and delivery of the vehicle requirements as per section 6.5 and the infrastructure work described in section 6.8, the earliest operational window for the roll-out of DAS to the remaining households is October / November 2023. Due to winter and Christmas, the next window would be March 2024.
- 6.10. Coupled with the activities described in Sections 3, 4 and 5 of the report, this will provide an improved and resilient service framework that will enable the Council to consider alternative options of service delivery that reflect the needs of our communities and contribute to the Councils Climate Change and Biodiversity targets and ambitions.

7. Financial Summary

- 7.1. Considerable work has been undertaken to understand all the costs of the current service and a member of the finance team has been seconded into the waste team, to help build the current operating budgets and then prepare financial projections of the waste and recycling service beyond the transition phase (July 2023 onwards).
- 7.2. **On-going revenue costs of delivering the service in house.**
- 7.2.1. The financial implications of bringing the waste service back in house were referenced in the Council report on 22 September 2022 in Section 7 of the report. This set out that, based on advice from our technical advisor undertaking an 'external' assessment of the service based on waste industry norms, the on-going revenue costs of delivering the service in-house would be in the region of £1.25m per annum higher than the contracted cost. The £1.25m was approved as a cost pressure in the 2023/24 revenue budget (and the Medium-Term Financial Strategy). The Council has been operating the service in-house since October 2022 and now has a much

deeper knowledge of the actual costs and where there are opportunities for further efficiencies.

7.3. **Transitional budget (October 2022 to June 2023).**

7.3.1. The Council report (September 2022) also set out that during the transitional phase covering the first nine months (October 2022 to June 2023), it was anticipated operating costs would be £350,000 per month higher than the contract costs. In July 2022, Members approved the use of £3million of the business rates retention reserve, to fund the anticipated transitional costs of bringing the service back in house. The £3million had been calculated as being 9 months (the transitional phase) at an additional cost of £350,000 per month.

7.3.2. In the revenue budget monitoring report to the Executive on 2 March 2023, it was reported to Members that due to the operational efficiencies introduced since the service came in-house, including a substantial reduction in agency workers, the current costs average £290,000 a month since October 2022, so £60,000 a month less than the original forecast.

7.4. **One-off set up costs.**

7.4.1. The report to Council on 22 September 2022 also detailed the one-off set up costs of £1.25m. The one-off costs are financed from a contribution from the contractor towards the Council's set up costs and funding in the Council's Waste earmarked reserve (which contains the 2021/22 contractual performance deductions and also contains additional income from increased recycling credits and dry recycling income).

7.4.2. These costs included project management, external technical advice (such as to re-design the collection rounds), legal costs, external one-off costs (IT costs), health and safety (such as PPE costs), property repairs and maintenance, temporary additional staffing, and additional vehicles.

7.4.3. As set out below, the Council is now at a point where the new vehicles for the roll out of the Devon Aligned Service (DAS) need to be procured. The balance of £0.55m predicted to be remaining in this one-off set up costs budget is earmarked for vehicle purchases as below;

7.4.4. **Vehicle costs (capital cost).** The Council already has sufficient funding included within the Vehicle and Plant Earmarked Reserve, to finance the cost of the end of life replacement and additional vehicles needed to implement the new service. In order to roll out the Devon Aligned Service to the remaining properties in October 2023 based on the new round design, the Council needs to purchase the necessary vehicles to enable the new service to operate. The cost is

envisaged to be £2.16 million. It is recommended Council finance the cost of the vehicles from the Vehicle and Plant Earmarked Reserve which currently stands at £1.4m (together with £210,000 of the 2024/25 annual contribution of £550,000) together with the £0.55million remaining in the one-off set up costs budget.

7.4.5. Torr Quarry depot (capital cost). There is a need to spend up to £0.5million on improvements to the Torr Depot (such as drainage, water tank supply and fire systems). It is recommended to Council to internally borrow for the improvement costs of up to £0.5million, with the associated revenue costs of £35,000 per annum for 25 years (the life of the asset) being financed by efficiencies and savings delivered by the service. In the medium term (in the next 2 to 5 years), there is likely to be an additional capital investment needed in the depot of around £2million that the Council will need to consider complying fully with new and much stricter regulations affecting the operation of waste transfer station.

7.4.6. Staffing capacity (Revenue Grants Earmarked Reserve). The service requires additional capacity over and above core operating requirements to accelerate project-based work to develop and implement a new trade waste service and other changes to deliver cost efficiencies and to drive income generation within the service on an invest to save basis. This model of investing upfront has proved very successful to date. It is recommended to Council to spend up to £180,000 from the Revenue Grants Earmarked Reserve for extra capacity within the waste service in the short term.

7.5. The revenue costs of the waste and recycling service over the next three financial years.

7.5.1. The next operational window in which to roll out the new DAS service to the remaining properties is October 2023. This will improve the service for residents and help to increase recycling rates. Having a consistent operating system across the whole district will also reduce operating costs in particular the costs for processing blue and clear sacks and of operating the co-mingled system (see para 2.8.4). This will create a new revenue cost base for the service from November 2023. If this window is missed the next opportunity will be in Spring 2024, which will lock in additional and excess operating costs of £290,000 per month for a further 6 months minimum at an overall cost of £1.74m.

7.5.2. **2023/24.** As a result, based on current assessments, it is anticipated that the costs of the waste and recycling service will remain within the revenue budget allocated. This is contingent on the service being able to generate additional income and to deliver further efficiencies as indicated above.

7.5.3. There will be a need for a thorough review of all fees and charges within the waste and recycling service. To expediate this process, it is recommended to Council that the setting of fees and charges for the waste and recycling service is delegated to the Director for Customer Service and Delivery, in consultation with the Leader of the Council, the Executive Member for waste and recycling and the S151 Officer.

7.5.4. **2024/25 and 2025/26.** it is projected that there will be an additional cost of the service of £270,000 and £260,000 respectively. These are annual costs and not cumulative costs. This will be built into the next iteration of the Medium-Term Financial Strategy for 2024/25 onwards (an annual cost pressure of £270,000 from 1.4.2024). This assumes that in 2024/25 there will be a £300,000 one-off grant available from food waste new burdens funding (a government grant), in respect of the Environment Act. This funding has not yet been announced and therefore if this grant does not materialise there will be an additional cost of £300,000 in 2024/25.

7.5.5. There are additional costs but also significant opportunities to bridge the gap. There are a range of efficiencies and income generation opportunities including:

- Implementing operational efficiencies.
- A review of trade waste.
- Increasing income from CWR (Controlled Waste Regulations).
- Increasing garden waste subscriptions.
- Review of bulky item collections.

The detail of these elements will be worked up during Q1 and 2 of the 2023/24 financial year.

8. Risks

8.1. There are several risks that may have additional financial consequences and therefore need to be considered:

8.2. **Unbudgeted revenue costs.** The risk of delaying implementation of full DAS roll-out and of continuing the current 3 tier operation will lead to excess operating costs of £290k per month (see paragraph), £1.74m unbudgeted costs in 23/24 rising to £2.8m in the following financial year.

8.3. **Vehicle lead times.** There are a limited number of specialist manufacturers of kerbside recycling vehicles. In particular, 'narrow access' vehicles are not available to hire. Officers have issued a 'request for information' to these suppliers to establish delivery timeframes, prior to a formal procurement exercise being issued. The implications of the Environment Act 2021 could result in many

Councils requesting similar vehicles, resulting in extended delivery lead times. This in turn would mean continuing with a less compliant and effective recycling service at significantly higher costs. The October 2023 DAS roll-out is wholly dependant on the delivery of the vehicles.

- 8.4. **Environment Agency permitting requirements.** The 2018 consultation proposed amending the Environmental Permitting Regulations so that an exempt waste operation could no longer be carried out at a permitted waste site. The exemption currently listed at Torr Quarry falls under these proposals and will mean that it will now be removed at some point in the future. The timescales on removal are unclear at present, however indicative timescales suggest the phased implementation of all the legislative changes is due to commence in 2024 and be completed by 2025. Upon its removal, the standard rules permit that is currently held on the site will need to be varied which will almost certainly require a fire prevention plan to bring the site into compliance. Paragraph 7.4.5 highlights the estimated costs of ensuring that the Torr Quarry site is compliant. The Chief Executive and Director have recently met with the Environment Agency (EA) Regional Director to explain the issues the Council are facing and the EA have committed to work with the Council to manage this process.
- 8.5. **Operational risks around DAS implementation.** In addition to paragraphs 8.2, 8.3 and 8.4, there a number of operational risks that the team will continue manage through continued effective project management, with reporting through the Lead Executive Member to the Executive and Council. This is the approach that has successfully seen the transfer, transition and improvement of the service.

9. Recommendations

- 9.1. Notes the successful transfer of the service, the improvement in service performance and the key operational risks that the service is operating under.
- 9.2. That the Executive **RECOMMENDS TO COUNCIL** To:
- 9.2.1. To utilise the Vehicle and Plant Earmarked Reserve and the one-off implementation budget, to purchase end of life fleet replacements and the fleet required for the roll out of the remaining properties onto the Devon Aligned Service (DAS) in October 2023 which is anticipated to cost £2.16million.
- 9.2.2. To use internal borrowing of up to £0.5million to fund the improvements to the Torr Depot, with the associated revenue costs of £35,000 per annum for 25 years (the life of the asset) being financed by efficiencies and savings delivered by the service.

9.2.3. To allocate £180,000 from the Revenue Grants Earmarked Reserve to fund additional project management capacity.

9.2.4. That the setting of fees and charges for the waste and recycling service is delegated to the Director for Customer Service and Delivery, in consultation with the Leader of the Council, the lead Executive Member for waste and recycling and the Section 151 Officer.

10. Implications

Implications	Relevant to proposals Y/N	Details and proposed measures to address
Legal/Governance	Y	<p>The Environment Act 2021 and the changes that it will make to the way in which the Council will be obliged to collect waste and recyclables are summarised in the main body of the report.</p> <p>The use of Reserves over £100,000 requires Full Council approval and therefore the report contains a recommendation to Council on the use of earmarked reserves. The vehicles will be procured through a framework agreement and as such the procurement will comply with the Council's Contract Procedure Rules.</p> <p>The report recommends internally borrowing £0.5m for the Torr Depot improvements. This can be approved by the Executive but for completeness this is included within the recommendations to Council on the waste and recycling service.</p> <p>The report also asks for delegated authority to the Director for Customer Service and Delivery, in consultation with the Leader of the Council, the Executive Member for waste and recycling and the Section 151 Officer, for the setting of fees and charges for the waste and recycling service.</p>
Financial implications to include reference to value for money	Y	<p>The financial implications of the report are set out in section 7 (Financial Summary) of the report.</p> <p>The next operational window in which to roll out the new DAS service to the remaining properties is October 2023. This will improve the service for residents and help to increase recycling rates. Having a consistent operating system across the whole district will also reduce operating costs in particular the costs for processing blue and clear</p>

		<p>sacks and of operating the co-mingled system (see para 2.8.4). This will create a new revenue cost base for the service from November 2023. If this window is missed the next opportunity will be in Spring 2024, which will lock in additional and excess operating costs of £290,000 per month for a further 6 months minimum at an overall cost of £1.74m.</p> <p>As a result, based on current assessments, it is anticipated that the costs of the waste and recycling service will remain within the revenue budget allocated for 2023/24.</p> <p>In 2024/25 and 2025/26 it is projected that there will be an additional cost of the service of £270,000 and £260,000 respectively. These are annual costs and not cumulative costs. This will be built into the next iteration of the Medium-Term Financial Strategy for 2024/25 onwards.</p>
Risk	Y	See Section 8 (Risks) for a summary of the key risks.
Supporting Corporate Strategy	Y	Quality Council Services Natural Environment
Climate Change - Carbon / Biodiversity Impact	Y	Encouraging households to recycle more by increasing the materials they can recycle. Improving recycling rates and reducing residual waste.
Comprehensive Impact Assessment Implications		
Equality and Diversity	N	
Safeguarding	N	
Community Safety, Crime and Disorder	N	
Health, Safety and Wellbeing	N	
Other implications	N	

Supporting Information

Appendices: None

Background Papers: None

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