

Published 15 May 2018

## **Agenda** for meeting of the Cabinet to be held at 6.00 pm on Wednesday, 23 May 2018 in the Town Hall, Eastbourne

(Please note: All councillors are invited to attend an officer presentation prior to the Cabinet meeting at 5:15pm in the Court Room, Town Hall, Eastbourne on the main features of the General Data Protection Regulation (GDRP)).

### **Members of the Cabinet:**

**Councillor David Tutt** (Leader and Chairman of Cabinet): Responsibilities aligned with Chief Executive and including the community strategy, local strategic partnership, the corporate plan and economic development.

**Councillor Alan Shuttleworth** (Deputy Leader and Deputy Chairman of Cabinet): Direct assistance services including revenues and benefits, housing and community development and bereavement services.

**Councillor Margaret Bannister:** Tourism and leisure services.

**Councillor Jonathan Dow:** Place services including cleansing and recycling, parks and downland, engineering, building and development control, planning policy and strategy, environmental health and licensing.

**Councillor Stephen Holt:** Financial services including accountancy, audit, purchasing and payments.

**Councillor Colin Swansborough:** Core support and strategic services.

**Councillor John Ungar** – Community safety.

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*[KD] against an item indicates that the matter involves a Key Decision and that the item has been listed in the Council's Forward Plan for at least 28 clear days.*

*[BPF] against an item indicates that the matter is part of the Council's Budget and Policy Framework and as such will require the approval of the Full Council.*

*Publication of this agenda also constitutes notice (or confirmation that such notice has previously been given) to the Chairman of the Scrutiny Committee and members of the public as appropriate:*

*(1) Under regulation 10(3) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 in respect of any key decision not included in the Council's Forward Plan of Key Decisions within 28 days of this meeting. Such items (if any) are marked [KDGE] and the reasons why compliance with regulation 9 (publicity in connection with key decisions) was impracticable are given.*

*(2) Under regulation 5(4) of the above mentioned regulations that certain matters listed on this agenda (if any) may need to be considered in private. (This notice is given further to*

*the earlier notice given under regulation 5(2). The reasons for private consideration are given at the relevant item, together with details of representations received (if any) about why the meeting should be open to the public.*

**1 Minutes of the meeting held on 21 March 2018. (Pages 1 - 6)**

**2 Apologies for absence.**

**3 Declarations of disclosable pecuniary interests (DPIs) by members as required under Section 31 of the Localism Act and of other interests as required by the Code of Conduct and regulation 12(2)(d) of the 2012 Access to Information Regulations. (Please see note at end of agenda).**

**4 Questions by members of the public.**

On matters not already included on the agenda and for which prior notice has been given (total time allowed 15 minutes).

**5 Urgent items of business.**

The Chairman to notify the Cabinet of any items of urgent business to be added to the agenda.

**6 Right to address the meeting/order of business.**

The Chairman to report any requests received to address the Cabinet from a member of the public or from a Councillor in respect of an item listed below and to invite the Cabinet to consider taking such items at the commencement of the meeting.

**7 Waste and recycling services post June 2019. (KD) (Pages 7 - 14)**

Report of Interim Director of Service Delivery  
Lead Cabinet member: Councillor Jonathan Dow

**8 Exclusion of the public.**

The Chief Executive considers that discussion of the following items is likely to disclose exempt information as defined in Schedule 12A of the Local Government Act 1972 and may therefore need to take place in private session. The exempt information reasons are shown beneath the items listed below. Furthermore, in relation to paragraph 10 of Schedule 12A, it is considered that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. *(The requisite notices having been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)*

(Note: Exempt papers are printed on pink paper).

**9 Waste and recycling services post June 2019. (KD) (Pages 15 - 24)**

Report of Interim Director of Service Delivery  
Lead Cabinet member: Councillor Jonathan Dow

*Exempt information reason 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).*

**10 Housing development update. (KD) (Pages 25 - 34)**

Report of Director of Regeneration & Planning  
Lead Cabinet member: Councillor Alan Shuttleworth

*Exempt information reason 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).*

**11 Asset investments and disposals. (KD) (Pages 35 - 40)**

Report of Deputy Chief Executive  
Lead Cabinet member: Councillor David Tutt

*Exempt information reason 3 - information relating to the financial or business affairs of any particular person (including the authority holding that information).*

**12 Redundancy and redeployment policy (NKD) (Pages 41 - 44)**

Report of Assistant Director for Human Resources and Transformation.  
Lead Cabinet member: Councillor Colin Swansborough.

*Exempt information reasons 1 and 2: Information relating to an individual or likely to reveal the identity of an individual.*

**Inspection of background papers** – Please see contact details listed in each report.

**Public right of address** – Requests by members of the public to speak on a matter which is listed in this agenda must be **received** in writing by no later than 12 Noon, 2 working days before the meeting (e.g. if the meeting is on a Wednesday, received by 12 Noon on the Monday before). The request should be made to Local Democracy at the address listed below. The request may be made by, letter, fax, or electronic mail. For further details on the rules about speaking at meetings or for asking a question on a matter not listed on the agenda please contact Local Democracy.

**Public questions** – Members of the public may ask a question on a matter which is not on the agenda. Questions should be made in writing and by the same deadline as for the right of address above. There are rules on the matters on which questions can be asked. Please ask Local Democracy for further information

**Councillor right of address** - Councillors wishing to address the meeting who are not members of the Cabinet must notify the Chairman in advance (and no later than the immediately prior to the start of the meeting).

**Disclosure of interests** - Members should declare their interest in a matter at the beginning of the meeting, and again, at the point at which that agenda item is introduced.

Members must declare the existence and nature of any interest.

In the case of a disclosable pecuniary interest (DPI), if the interest is not registered (nor the subject of a pending notification) details of the nature of the interest must be reported to the meeting by the member and subsequently notified in writing to the Monitoring Officer within 28 days.

If a member has a DPI or other prejudicial interest he/she must leave the room when the matter is being considered (unless he/she has obtained a dispensation).

**Implementation of decisions** - Implementation of any key decision will take place after 5 working days from the date notice is given of the Cabinet's decision (normally on the day following the meeting) unless subject to "call-in". Exceptions to this requirement are allowed when the decision is urgent.

Members of the public are welcome to attend and listen to the discussion of items in the "open" part of the meeting. Please see notes at end of agenda concerning public rights to speak and ask questions.



The Cabinet meets in the Court Room of the Town Hall which is located on the ground floor. Entrance is via the main door or access ramp at the front of the Town Hall. Parking bays for blue badge holders are available in front of the Town Hall and in the car park at the rear of the Town Hall.



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## Democratic Services

For any further queries regarding this agenda or notification of apologies please contact Democratic Services.

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# Cabinet



## Minutes of meeting held on Wednesday, 21 March 2018 at 6.00 pm

Present:-

Councillors **David Tutt** (Chairman and Leader of the Council), **Gill Mattock** (Deputy Chairman and Deputy Leader of the Council), **Margaret Bannister**, **Jonathan Dow**, **Dean Sabri**, **Alan Shuttleworth** and **John Ungar**.

### 69 Minutes of the meeting held on 7 February 2018.

The minutes of the meeting held on 7 February 2018 were submitted and approved and the chairman was authorised to sign them as a correct record.

### 70 Declarations of members' interests.

Councillor Tutt declared a personal and non-pecuniary interest in agenda item 11 (Waste services delivery vehicle) as a director of iESE and chair of iESE Transformation Ltd.

### 71 Local car parking standards for new residential development.

The Cabinet considered the report of the Director of Regeneration and Planning regarding the cost and viability of introducing a policy on local car parking standards for all new residential developments.

Visiting member, Councillor Smart addressed the Cabinet and recommended that they reject the officer's recommendations.

The issue was referred to the Local Plan Steering Group, represented by both political groups and advice received was that the hierarchal structure meant that any standards introduced would only be considered as guidance and would be unlikely to outweigh East Sussex County Council's advice as the local highway authority and statutory consultee.

It was clarified that the Planning Committee had the capacity to reject the County Council's guidance on a case by case basis, providing it was justified.

#### **Resolved (key decision):**

(1) That it is not viable for Eastbourne Borough Council to introduce a policy on local car parking standards for all new residential developments.

(2) That Eastbourne Borough Council work with East Sussex County Council to address member concerns within the framework of the existing County guidance.

(3) That future consideration be given to issues relating to car parking and sustainable travel through the new Local Plan.

**Reason for decision:**

The introduction of local car parking standards is likely to be ineffective as they could not hold significant weight in decision making and many of the concerns raised can be addressed by working with East Sussex County Council within the existing car parking standards.

**72 Joint transformation programme - update.**

The Cabinet considered the report of the Assistant Director for Human Resources and Transformation updating them on the progress of the joint transformation programme and key decisions taken by the programme board.

The report detailed the activity from November 2017 to February 2018, which saw the conclusion of phase two and rollout of new technology. The phase two recruitment process concluded at the end of November 2017, following over 400 interviews and compulsory redundancies was limited to four.

Officer discussions on the potential options and timescales for phase three had commenced and proposals set out in a business case would be considered by the Cabinet at a future meeting.

The Cabinet expressed their thanks to all officers involved for the progress that had been made.

**Resolved:**

That Cabinet notes the progress of the joint transformation programme and key decisions taken by the Programme Board.

**Reason for decision:**

To note the progress of Phase Two of the Joint Transformation Programme and the decisions made by the Programme Board.

**73 Devonshire Park redevelopment.**

The Cabinet considered the report of the Director of Tourism and Enterprise updating them on the redevelopment of Devonshire Park, including the budget position and to obtain agreement for the refurbishment of the Winter Garden.

Councillor Tutt proposed that an additional £160,000 would be added to the scheme, to enable refurbishments to the Winter Garden toilets to be reinstated into the scheme. This was detailed in resolution three below.

The Cabinet was also advised of a revision to recommendation two to provide flexibility to the Director of Tourism and Enterprise and Assistant Director for Legal and Democratic Services, in consultation with the lead

Cabinet members for Tourism and Leisure Services and Financial Services to complete the relevant contact terms with Vinci Construction UK, or to pursue alternative procurement arrangements as appropriate.

Visiting member, Councillor Smart addressed the Cabinet and although acknowledging the issues that were outlined in the report, raised concerns with the project's rise in cost and cuts to the proposed works at the Winter Garden.

Visiting member, Councillor Freebody addressed the Cabinet and reiterated Councillor Smart's comments. He highlighted concerns about the transparency of the project, overall net borrowing and capital expenditure.

The Cabinet responded and stated that key factors had led to the project exceeding its budget. This included the impact of Brexit on the price of importing materials and the supply of labour and sub-contractors, an overheated construction market, especially in London, as schemes were prioritised in order to obtain European Union funding, the scale and complexity of the scheme with a mix of new build and refurbishment and the risks attached to work in heritage buildings and scope increase and clarification of quality for elements of the scheme since the original budget was developed in autumn 2015.

The project was carefully managed by the Devonshire Park Project Board, represented by both political groups and had also been subject to quarterly progress reports to the Scrutiny Committee.

The redevelopment of the Devonshire Park Quarter was on schedule to be completed by March 2019. The cultural quarter would create around 100 additional jobs across the economy and compete for conference business worth around £10 million to the town's economy.

**Resolved (key decision):**

- (1) That the progress to date of the scheme be noted.
- (2) To approve the proposed works to the Winter Garden and instruct the Director of Tourism and Enterprise and the Assistant Director for Legal and Democratic Services, in consultation with the lead Cabinet members for Tourism and Leisure Services and Financial Services, either to complete the relevant contract terms with Vinci Construction UK or to pursue alternative procurement arrangements as appropriate.
- (3) To approve the proposed revision to the capital programme, with the addition of a further £160,000 to enable refurbishments to the Winter Garden toilets to be reinstated, bringing the scheme to £53.96m gross (£48.36m net of guaranteed contributions) in order to deliver the whole scheme as recommended by the Project Board.
- (4) To note that the business plan is expected to meet target.

(5) To note that the Council can take advantage of a VAT exemption which would increase revenues by a minimum of £250,000 per annum.

**Reasons for decision:**

When the contract for the redevelopment was let to Vinci the work to the Winter Garden was reserved to allow more detailed investigations of the structure and an evaluation of the options. The contract with Vinci provides for this work at the Council's discretion and it is now appropriate to finalise this element of the contract.

For the reasons set out in this report the costs of the overall scheme have increased and it is necessary to make an allowance for this in the capital programme.

**74 Corporate performance - quarter 3 - 2017/18.**

The Cabinet considered the report of the Deputy Chief Executive and Director of Regeneration and Planning, updating them on the Council's performance against corporate plan priority actions, performance indicators and targets over the quarter three 2017/18.

Visiting member, Councillor Freebody addressed the Cabinet on staff sickness. During this quarter, a number of long term absences increased significantly and an explanation for this was detailed in the report. Assurances were given that staff were and would continue to be appropriately supported with their health and wellbeing.

Visiting member, Councillor Smart addressed the Cabinet and commented on the presentation at appendix 4 of the report.

Visiting member, Councillor di Cara addressed the Cabinet and commented on the town centre vacant retail business space target. It was clarified that the percentage was based on the number of units. A written response on whether Multiyork was part of quarter three's percentage would be forwarded to Councillor di Cara. It was also agreed that a breakdown of the figures relating to the percentage of household waste sent for reuse, recycling and composting would be forwarded to Councillor di Cara.

Part B of the report detailed the Council's financial performance during quarter two.

As this would likely be her last meeting as portfolio holder for finance, the Cabinet expressed their thanks to Councillor Mattock for all her work over the years.

**Resolved (key-decision):**

(1) That the achievements and progress against Corporate Plan priorities for 2017/18, as set out in part A of the report be noted.

(2) That the general fund, housing revenue account and collection fund financial performance for the quarter ended December 2017, as set out in part B of the report, be agreed.

(3) That the amended capital programme as set out in appendix 4 of the report be agreed.

(4) That the Treasury Management performance as set out in section 5 in part B of the report be agreed.

(5) That the write offs as set out in the exempt appendix be approved.

**Reason for decision:**

To enable Cabinet members to consider specific aspects of the Council's progress and performance.

**75 Waste services delivery vehicle.**

The Cabinet considered the report of the Director of Service Delivery on the future arrangements for Eastbourne waste, recycling and street cleansing services post June 2019.

The Cabinet unanimously agreed to set up a local authority controlled company (LACC). Both options set out in the report were viable however a LACC offered flexibility in terms and conditions, the potential to develop options in parallel on future trade waste and have lower operating costs and a broader Environmental Services officer.

The exempt appendices, attached to the report were considered and noted, following exclusion of the public.

**Resolved (key-decision):**

(1) To consider the service delivery options for waste, recycling, street and beach cleansing services from June 2019, as outlined in the report.

(2) To set up a local authority controlled company (LACC)

(3) To authorise the Director of Service Delivery, in consultation with the Portfolio Holder for Place Services, to develop and implement the preferred option to ensure new service arrangements are in place for June 2019.

(4) To instruct officers to develop options to stay within budget through cost reduction or income generation measures and bring proposals to a future Cabinet meeting.

**Reason for decision:**

- Mutual exit of the Kier contract in June 2019

- Decision made by Cabinet on 12 July 2017 to bring the service in-house.

- Current financial context.
- Timely consideration of future shape of service.

*(Note: Councillor Tutt declared a personal and non-pecuniary interest in this item).*

**76 Exclusion of the public.**

**Resolved:**

That the public be excluded from the remainder of the meeting as otherwise there was a likelihood of disclosure to them of exempt information as defined in schedule 12A of the Local Government Act 1972. The relevant paragraph of schedule 12A and a description of the exempt information is shown below. (The requisite notice having been given under regulation 5 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.)

The meeting closed at 7.18 pm

**Councillor David Tutt**  
**Chairman**

# Agenda Item 7

<b>Body:</b>	<b>Cabinet</b>
<b>Date:</b>	<b>23 May 2018</b>
<b>Subject:</b>	<b>Waste and recycling services post June 2019 – Fleet procurement and related issues</b>
<b>Report of:</b>	<b>Tim Whelan, Interim Director of Service Delivery</b>
<b>Cabinet member:</b>	<b>Councillor Jonathan Dow</b>
<b>Ward(s):</b>	<b>All</b>
<b>Purpose of the report:</b>	<b>To approve the procurement of waste collection vehicles, including sourcing from the Council’s outgoing waste service provider, Kier, and to approve procurement of associated hardware and IT systems.</b> <b>To approve £50k for setting up and initial running of the Local Authority Controlled Company (LACC).</b> <b>To propose Directors of the LACC.</b> <b>To approve likely cost implications of taking the lease for Courtlands Road.</b> <b>To note that ESCC will handle disposal of dry mixed recycling materials post Kier.</b> <b>To note take-up of the new charged-for garden waste service.</b>
<b>Decision type:</b>	<b>Key</b>
<b>Recommendation:</b>	<b>Cabinet is recommended to:</b> <ol style="list-style-type: none"><li><b>1. Delegate authority to the Interim Director of Service Delivery in consultation with the Portfolio Holder, Place Services, for the procurement of fleet resources and associated hardware and IT systems to provide in-house collection and cleansing services from June 2019 at a funding level identified in the confidential paper.</b></li><li><b>2. Approve a waiver of Contract Procurement Rules in accordance with paragraph 4.2.1a of the Council’s Procurement Rules for the reasons set out in paragraphs 6.1-6.3 of the report, namely that the Council intends to purchase assets from Kier rather than tendering for purchase on the open market subject to this providing best value.</b></li></ol>

3. Delegate to the Chief Finance Officer the method of purchase to ensure best value for the Council.
4. Approve funding of up to £50k for setting up and initial running the Local Authority Controlled Company (LACC).
5. Approve the proposed Directors of the LACC being the following post holders: Director of Planning and Regeneration; Interim Director of Service Delivery; Portfolio Holder, Place Services; the Leader of the Council; and the Leader of Opposition.
6. Approve financial implications (as identified in the confidential paper) of taking on the lease at Courtlands Road.
7. Note that ESCC will be handling fully co-mingled dry mixed recycling material post June 2019.
8. Note the take-up of the new charged-for garden waste service.

**Reasons for recommendations:**

To maintain current waste services and provide value for money prior to completing a wider Council Waste Service Review once the service is in a LACC.

**Contact:**

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## 1.0 Introduction

1.1 Cabinet, on 12<sup>th</sup> July 2017, made the decision to bring waste and recycling services in-house from June 2019, following a mutual exit agreed with Kier Services Limited to terminate the current contract early.

On 21<sup>st</sup> March 2018, Cabinet decided the service will be delivered through a LACC.

1.2 The Council is currently in the process of putting in place the organisational structures, resources and facilities necessary for the service to operate within a LACC. After the Council has taken control, a key part of the programme will be to review how Eastbourne's waste collection and recycling service is operated and delivered to ensure effectiveness and efficiency. It is noted that when Kier took on the service, a round review was implemented after an initial period. A

Council Waste Service Review is planned to be undertaken in 2019/20 with a view to determining any changes in service structure by September 2020 to optimise rounds and other efficiencies, for example, arising from working with Lewes district. With vehicle procurement taking circa 12 months any change in service requiring a different fleet configuration would be implemented in circa October 2021.

- 1.3 The Council has therefore an interim requirement to maintain its existing service provision from June 2019 to c. Oct/Dec 2021, a period of around 2.5 years. This report considers the options for securing the fleet resources necessary for the Council to deliver an 'as is' operation, through a Local Authority Controlled Company.
- 1.4 Set up costs for the LACC are estimated at £50,000, to include a payroll system and tax and legal advice.
- 1.5 The Council has already agreed in principle to collecting fully co-mingled dry recycling (Cabinet Dec 2017). On 6 April the Joint Waste and Recycling Committee (Hastings Rother and Wealden) approved ESCC handling the disposal of recycling material and Lewes and Eastbourne Councils were asked to adopt the same disposal arrangements, to ensure viability for the County Council's scheme. Lewes and Eastbourne Councils have since approved the disposal of dry recycling through ESCC.
- 1.6 Confidential item.
- 1.7 The Council introduced a charged-for garden waste service in April 2018. By 8<sup>th</sup> May, the total number of bins stood at 9,800 equating to an income of over £500,000.
- 2.0 Proposal**
- 2.1 To delegate authority to the Interim Director of Service Delivery for the procurement of a short term solution for fleet resources and associated IT to provide waste collection and a long term cleansing service from June 2019.
- 2.2 To provide funding to the Interim Director of Service Delivery to undertake the procurement of fleet and associated IT in relation to paragraph 2.1.
- 2.3 To approve a waiver of Contract Procurement Rules in accordance with paragraph 4.2.1a of the Council's Procurement Rules for the reasons set out in paragraphs 6.1-6.3 of the report, namely that the Council intends to purchase assets from Kier, should that represent best value.
- 2.4 To delegate to the Chief Finance Officer the method of purchase to ensure best value for the Council.
- 2.5 To approve funding of £50,000 for set up costs for the LACC for waste services.
- 2.6 Confidential item.

- 2.7 To note that ESCC will handle Eastbourne's fully co-mingled dry mixed recycling following the report to the Joint Waste and Recycling Committee on 6 April 2018.
- 2.8 To note take-up of the new charged-for garden waste service.

### 3.0 Background

#### Fleet

- 3.1 The existing collection and cleansing service is delivered by Kier using the following fleet resources:

Waste Service Vehicle Summary			
Service	Number	Type	GVW
Recycling RCV Collection	6	Pod/RCV	26 Tonne
Recycling Narrow access	1	RCV	12 Tonne
Refuse RCV Collection	7	RCV	26 Tonne
Refuse Narrow access	1	RCV	12 Tonne
Garden RCV Collection	2	RCV	26 Tonne
Bulky	1	MAN Cage Tipper	7.5 Tonne
Bin Deliveries	1	Luton	3.5 Tonne
<b>Collection Sub Total</b>	<b>19</b>		
Streets Cage	7	V W Cage Tipper + t/bar	3.5 Tonne
Mini Mechanical Sweeper	1	Sweeper	2.4 Tonne
Mechanical Sweeper	1	Sweeper	3.5 Tonne
7.5t Mechanical Sweeper	2	Sweeper	7.5 Tonne
Streets Dog Bins	1	Ford Transit Flatbed	3.5 Tonne
<b>Streets Sub Total</b>	<b>12</b>		
<b>Supervisor Vans</b>	<b>4</b>		
<b>Total</b>	<b>35</b>		

With no substantive changes in service delivery these resources need to be provided from June 2019 onwards in order for existing service provision to be delivered.

#### Recycling

- 3.2 Currently recycling materials are handled through the Kier contract and alternative disposal arrangements are required as a matter of priority for the new service. It has been agreed that dry recycling material will be handled by East Sussex County Council in future, post Kier.

3.3 Confidential item.

#### **4.0 Consultation**

4.1 Initial discussions have been undertaken by the LDC Fleet Manager with Kier and the East Sussex Joint Waste Contract Team with regards fleet costs and availability. Technical assessments of the fleet have also been undertaken by the LDC Fleet Manager with EBC operational staff with regards the suitability and reliability of existing Kier fleet resources to meet this short term solution ahead of a waste review in around 2020/21.

#### **5.0 Corporate plan and council policies**

5.1 Waste, recycling and street and sea front cleansing services play a vital role in maintaining a quality environment within the town.

5.2 Key objectives are to reduce waste, increase recycling and maintain street and sea front cleanliness while delivering an efficient and cost effective service.

#### **6.0 Business case and alternative option(s) considered**

##### **Fleet**

6.1 In order to secure fleet and associated IT resources from 2019 for the waste operation the Council has the option to:

- a) Tender for the procurement of a new fleet and IT;
- b) Contract Hire;
- c) Purchase a second-hand fleet; or
- d) Acquire the existing fleet and associated IT from Kier.

As part of the Kier termination agreement with the Joint Waste Partnership, the Councils can notify Kier *'which, if any, assets the Councils require to be transferred to them for the purpose of continuing services'*.

6.2 The majority of the existing fleet was purchased by Kier for the East Sussex Joint Waste Contract in 2013 and will consequently be c. 6 years old by June 2019. Some 7 of the 35 vehicles, however, are contract-hired by Kier and may not be suitable for Council purposes.

6.3 - In confidential paper.

6.5

##### **Recycling disposal**

6.6 ESCC's offer is to dispose of fully co-mingled dry mixed recycling (as the Waste Disposal Authority, WDA) from June 2019, so that East Sussex districts and boroughs are no longer exposed to the risks of the commodities market. ESCC will not charge for disposal although this arrangement will mean an end to current recycling credit rates to the Waste Collection Authorities for dry material.

An alternative to sending material to ESCC is for the five districts and boroughs in East Sussex to jointly procure a recycling processing provider. However, the

costs of recycling disposal through a commercial contract are unlikely to be covered by credits received from the County Council. In addition, the Council would be exposed to volatility in the markets which affect the cost of processing.

6.7 Confidential item.

## **7.0 Outcome expected and performance management**

7.1 Prompt purchase of fleet and associated IT, setting up the LACC and securing the depot will ensure continuity of service from June 2019 and provide a sound basis for the review planned in 2019/20 to optimise the service.

## **8.0 Financial appraisal**

8.1 Financial implications are identified in the confidential paper.

## **9.0 Legal implications**

9.1 Provisions in Kier Contract relevant to fleet vehicles: If not provided by the Councils then all Assets must be owned or leased by Kier on terms which permit, where reasonable and practicable, Kier to assign the benefit of such lease to the relevant Council.

During the Contract Period Kier has to:

- operate, keep in good repair and maintain;
- insure;
- replace;
- annually provide details to allow the Councils to account for lease arrangements in relation to vehicles e.g. type, cost, residual value;

Not Less than 6 months prior to the expiry of the Contract Period the Councils must notify Kier in writing to indicate which if any Assets the Councils require to be transferred to them or a New Contractor to continue the same or similar Services.

Within 30 days of receiving the notice Kier shall notify the Councils in writing of the current market value (ex VAT) fixed by a valuer approved by both Parties and acting as an expert not arbitrator (the "Value").

Following the determination of the Value the Councils must confirm in writing which Assets they wish transferred and the date of the transfer. Provided the Council pay the Value Kier must transfer the Assets to them or the New Contractor.

## **Waste services report to Cabinet 23 May - 007311-EBC-CJEC**

9.2 Co-mingled dry mixed recycling material: The Council is currently a party to a Waste Recycling Cost Sharing Agreement that was entered into in 2010 and amended in 2014 between ESCC and the district councils. This will be revisited as part of current negotiations with the County Council.

## **Waste services report to Cabinet 23 May - 007311-EBC-CJEC**

### **10.0 Equality analysis**

10.1 The recommendations in this report have no implications for equality and fairness.

### **11.0 Conclusion**

11.1 The proposals put forward in this report provide a cost effective solution for the interim period prior to the completion of the waste review and beyond where applicable.

11.2 It should be borne in mind that while the proposals offer best value ahead of a Waste Review, were the Council to decide to make appreciable changes before the end of 2021, additional cost might be incurred.

### **Appendices**

- **Confidential papers**

#### **Background papers**

The background papers used in compiling this report were as follows:

- N/A

To inspect or obtain copies of background papers please refer to the contact officer listed above.

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# Agenda Item 9

By virtue of paragraph(s) 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

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By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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