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For assistance in understanding or reading this document or specific information about this Agenda or on the "Public Participation" initiative please call the Committee Team on 01629 761133 or email [committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk)

19 April 2022

To all Councillors:

As a Member of the Council, please treat this as your summons to attend the Council meeting on **Wednesday, 27 April 2022 at 6.00pm** in the Council Chamber, Town Hall, Bank Road, Matlock, Derbyshire DE4 3NN

This meeting will be recorded and published for viewing after the conclusion of proceedings on the District Council's website at [www.derbyshiredales.gov.uk](http://www.derbyshiredales.gov.uk) or via our YouTube channel.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'James McLaughlin'.

James McLaughlin  
Director of Corporate and Customer Services

## **AGENDA**

### **1. APOLOGIES**

Please advise the Committee Team on 01629 761133 or email: [committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk) of any apologies for absence.

### **2. PUBLIC PARTICIPATION**

To enable members of the public to ask questions, express views or present petitions on the subject matters(s) identified in the summons **IF NOTICE HAS BEEN GIVEN**, (by telephone, in writing or by electronic mail) **BY NO LATER THAN 12 NOON OF THE DAY PRECEDING THE MEETING**. As per Procedural Rule 14.4 at any one meeting no person may submit more than 3 questions and no more than 1 such question may be asked on behalf of one organisation.

### **3. APPROVAL OF THE MINUTES OF THE PREVIOUS MEETING**

24 March 2022

#### 4. INTERESTS

Members are required to declare the existence and nature of any interests they may have in subsequent agenda items in accordance with the District Council's Code of Conduct. Those interests are matters that relate to money or that which can be valued in money, affecting the Member, her/his partner, extended family and close friends. Interests that become apparent at a later stage in the proceedings may be declared at that time.

#### 5. LEADERS' ANNOUNCEMENTS

Announcements of the Leader of the Council.

#### 6. CHAIRMAN'S ANNOUNCEMENTS

Announcements of the Civic Chairman.

#### 7. COMMITTEES

To receive the non-exempt Minutes of the Committees shown below:

<b>Non-exempt Minutes to be received:</b>	<b>Date</b>
Community & Environment Committee	01 March 2022
Full Council	03 March 2022
Planning Committee	08 March 2022
Governance & Resources	17 March 2022

#### **Minute Book to follow.**

#### 8. QUESTIONS (RULE OF PROCEDURE 15)

Questions, if any, from Members who have given notice.

#### 9. PROPOSAL OF A NOTICE OF MOTION (RULE OF PROCEDURE 16)

The Council will debate the following Motion, submitted by Councillor Colin Swindell, in accordance with Rule of Procedure 16.

*That this Council recognises the hard work and dedication shown by our District Council staff during the recent floods across the Derbyshire Dales. We express our sincere thanks and gratitude for their efforts in safeguarding and protecting our residents, homes and businesses.*

**Page Nos.**

#### 10. DISPENSATION FOR NON-ATTENDANCE AT COUNCIL MEETINGS **05 - 07**

This report seeks a dispensation for a Councillor in respect of a forthcoming absence from Council and committee meetings for a period of six consecutive months.

- 11. COUNCIL TAX DISCRETIONARY DISCOUNTS** **08 - 19**
- The report asks Members to agree to changes to the Council's policy for council tax discretionary discounts (under section 13A 1 (c) of the Local Government Finance Act 1992) to:
- allow more flexibility to backdate awards to care leavers, and
  - to add an appeals process for all dissatisfied applicants.
- The report also seeks approval for a new class of discount for those in receipt of council tax support and facing a Homes for Ukraine-related increase in council tax liability during 2022/23.
- 12. WASTE & RECYCLING CONTRACT OPTIONS APPRAISAL** **20 - 59**
- To update Members on a report produced by Recircle Consulting detailing a qualitative assessment of the options available to the Council, should the Council find itself in a terminal dispute position on its Waste Management Contract with Serco Ltd and to seek authorisation for the commissioning of a detailed qualitative review of an in-house service delivery option.
- 13. GYPSY AND TRAVELLER SITE UPDATE** **60 - 65**
- To update the Council in respect of the work that has been undertaken to bring forward a site at Knabhall Lane, Tansley as both a permanent and temporary Traveller site, to advise of a recently announced Government funding programme for Traveller sites and to determine the Council's future approach.
- 14. COMMUNITY GOVERNANCE AND POLLING ARRANGEMENT REVIEWS** **66 - 70**
- This report proposes that the Council agrees to carry out a number of Community Governance Reviews that will be required as a result of the new warding and parish arrangements proposed by the Local Government Boundary Commission for England and the impact of new housing developments across the district.
- It is proposed that at the same time Polling Districts, Polling Places and Polling Stations are reviewed to make sure that they reflect the revised arrangements and the impact of new housing developments.
- 15. LOCAL PROJECTS FUND** **71 - 85**
- To review the success of the Local Projects Fund and grants awarded since its inception in October 2015 and consider examples of the projects supported in the 2021/2022 financial year and to review the terms and conditions for the award of funding.
- 16. REVIEW OF MEMBERS' ALLOWANCES SCHEME** **86 - 90**
- To consider the arrangements for a review of the Members' Allowance Scheme.

## **17. SEALING OF DOCUMENTS**

To authorise that the Common Seal of the Council be affixed to those documents, if any, required in completing transactions undertaken by Committees or by way of delegated authority to others, since the last meeting of Council.

### **NOTE**

For further information about this Agenda or on “Public Participation” call 01629 761133 or email: [committee@derbyshiredales.gov.uk](mailto:committee@derbyshiredales.gov.uk)

Council

27 April 2022

Report of Director of Corporate and Customer Services (& Monitoring Officer)

## **DISPENSATION FOR NON-ATTENDANCE AT COUNCIL MEETINGS**

### **PURPOSE OF REPORT**

This report seeks a dispensation for a Councillor in respect of a forthcoming absence from Council and committee meetings for a period of six consecutive months.

### **RECOMMENDATION**

1. That approval be given to a dispensation for Councillor Michele Morley from attending meetings of the Council for a period of six months commencing on 6 May 2022, thus nullifying the disqualification to hold office for a six month period.
2. That it be noted that any extension to the dispensation for Councillor Michele Morley after the six month period ends on 6 November 2022, will require further approval in accordance with recommendation 1 above.

### **WARDS AFFECTED**

Brailsford

### **STRATEGIC LINK**

The role of our elected members is crucial to the effectiveness of the organisation and connects to the key priorities in the corporate plan.

### **1 BACKGROUND**

- 1.1 Councillor Michele Morley has given notice to the Proper Officer that she will be unable to attend meetings of the Council, its committees or any outside bodies on which she represents the authority for medical reasons.

### **2 REPORT**

- 2.1 Section 85(1) of the Local Government Act 1972 states that “if a member of a local authority fails throughout a period of six consecutive months from the date of his last attendance to attend any meeting of the authority, he shall, unless the failure was due

to some reason approved by the authority before the expiry of that period, cease to be a member of the Authority.”

2.2 Pursuant to the above legislation, Council is asked to approve a dispensation for Councillor Michele Morley from attending meetings of the Council, its Committees or outside bodies, effective from 6 May 2022 and ending on 6 November 2022.

2.3 Any extension to the dispensation for Councillor Morley will be subject to further approval at the time, in accordance with paragraphs 2.1 and 2.2 above

### **3 RISK ASSESSMENT**

Legal

3.1 The legal issues associated with this report are detailed in paragraph 2.1 of this report. The legal risk is assessed as low.

Financial

3.2 Should a dispensation for Councillor Morley not be granted and the seat became vacant later in the year, a by-election would be required due to a vacancy on the Council. The cost of this would be funded from existing budgets for local election expenses. The financial risk is assessed as low.

Corporate Risk

3.3 Failure to agree the request for dispensation may result in the Proper Officer declaring a vacancy for the seat held by Councillor Michele Morley later in the year and a by-election would be necessary. There may be reputational risks for the Council in failing to agree a dispensation in a timely manner, given the reason for Councillor Morley's absence.

### **4 OTHER CONSIDERATIONS**

4.1 In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4.2 There are no specific equalities or diversity issues associated with this report. The council is committed to fulfilling its obligations under the Equality Act 2010, including the Public Sector Equality Duty (Section 149). This duty includes a general duty and specific duties. The general duty requires public bodies to have 'due regard' to the need to:

- eliminate unlawful discrimination, harassment and victimisation and conduct prohibited by the Act,
- advance equality of opportunity between people from different groups; and
- foster good relations between people from different groups.

### **5 CONTACT INFORMATION**

James McLaughlin, Director of Corporate and Customer Services

01629 761281 or james.mclaughlin@derbyshiredales.gov.uk

## **6 BACKGROUND PAPERS**

6.1 None

COUNCIL

27 April 2022

Report of the Director of Resources

## **COUNCIL TAX DISCRETIONARY DISCOUNTS**

### **PURPOSE OF REPORT**

The report asks Members to agree to changes to the Council's policy for council tax discretionary discounts (under section 13A 1 (c) of the Local Government Finance Act 1992) to:

- allow more flexibility to backdate awards to care leavers, and
- to add an appeals process for all dissatisfied applicants.

The report also seeks approval for a new class of discount for those in receipt of council tax support and facing a Homes for Ukraine-related increase in council tax liability during 2022/23.

### **RECOMMENDATION**

1. That approval is given to the revised Policy for council tax discretionary discounts (under section 13A 1 (c) of the Local Government Finance Act 1992), attached as Appendix 1.
2. That approval is given for a new class of discount where a discount is provided to offset a Homes for Ukraine-related increase in council tax liability during 2022/23.

### **WARDS AFFECTED**

All

### **STRATEGIC LINK**

Awarding discretionary council tax discounts provides financial support to vulnerable households within the district.

## **1 REPORT**

1.1 The Council has a policy to award discretionary council tax discounts (under section 13A 1 C of the Local Government Finance Act 1992). The policy is intended ultimately to enable the Council to provide discounts:

- to specific classes of applicants, such as care leavers; or
- to those who would suffer undue financial hardship if they had to pay the



council tax without a discretionary discount, in cases of unforeseen or exceptional circumstances that affect their homes or wellbeing; or

- to comply with government guidance.

- 1.2 The cost of these discretionary discounts is borne wholly by this Council, whereas council tax income is shared between major preceptors, with this authority retaining around 14%.
- 1.3 It is proposed that the Council's policy for council tax discretionary discounts (under section 13A 1 (c) of the Local Government Finance Act 1992) be updated for the reasons set out below.
- 1.4 Changes to the policy relating to backdating of discounts for care leavers.
  - 1.4.1 Paragraph 3.5 of the current policy sets out the criteria for the award of discretionary council tax discounts for care leavers. While the policy states that discounts may be awarded "from the date of the care leaver's 18th birthday until the day immediately preceding their 25th birthday", it also states that "Applications may be backdated to 1 April in the year of application if the 18th birthday fell in the previous year". This restriction on backdating has recently led to objections from two applicants who had not been made aware of the discount until sometime after they had become liable for the council tax on their respective properties.
  - 1.4.2 In one case (the other is similar), a care leaver moved in to a property as a sole occupier on 13.10.20 and has been made liable for Council Tax with the 25% sole occupier discount. The care leaver has been confirmed as meeting the criteria for a discount. No other discounts (e.g. Council Tax Support or student exemption) apply. Therefore they would qualify for a care leaver discount from 13.10.20 onwards to be covered by a 100% Care Leaver Discount, except for the fact they have not applied for the discount until 14.11.21. Under the current policy we can only backdated to 01.04.21, leaving the care leaver liable to pay the full council tax for the period between when they moved into their property (13.10.20) to 31 March 2021.
  - 1.4.3 Officer comments: The restriction on backdating could be seen as unfair to those care leavers who might not have been made aware of the discounts available and / or the impact of a delay in making an application. Therefore, it is recommended that the following wording should be removed from the Council's policy: 3.5 (iii) "Applications may be backdated to 1 April in the year of application if the 18th birthday fell in the previous year". Given that the number of cases has been very low, this is not expected to result in a significant cost pressure for the Council.
- 1.5 Approval of a new class of discount to offset a Homes for Ukraine-related increase in council tax liability during 2022/23
  - 1.5.1 On 1 April 2022 the government issued a Council Tax Information Letter which set out the steps it would take to deliver the Secretary of State's commitment that participation in the Homes of Ukraine scheme would not affect the sponsor household's council tax status. Regulations have since been laid so that a person who has secured an immigration permission under Homes for Ukraine is disregarded for council tax discounts. This will protect the sponsor's single person discount and the 50% discount received by households where all the occupants are already disregarded. The regulations also amend the Council Tax (Exempt Dwellings) Order 1992 so that there is no loss of an exemption where a household hosts a person who has secured an immigration permission under Homes for Ukraine.

- 1.5.2 The local council tax support (LCTS) applications of households participating in Homes for Ukraine could be affected by the £350 monthly ‘thank you’ payment and non-dependent deductions arising from the presence and income of their Ukrainian guest. LCTS schemes for 2022/23 had to be finalised by 11 March 2022. The Local Government Finance Act 1992 (‘the 1992 Act’) does not permit the in-year changes necessary to create new Homes for Ukraine-related disregards. However, billing authorities may wish to consider whether the locally designed terms of their current working age schemes might allow such a disregard.
- 1.5.3 To protect the LCTS reductions of sponsoring households, the Government encourages billing authorities to reverse any Homes for Ukraine impacts by providing discretionary discounts under s13A(1)(c) of the 1992 Act. To facilitate this, the new Collection Fund (Council Tax Reductions) (England) Directions 2022 specify that where a discount is provided to offset a Homes for Ukraine-related increase in council tax liability during the remainder of 2022/23 the billing authority is not required to make a payment into the collection fund. The net impact of this measure will be that billing authorities and major preceptors will receive the same amount of income as if there had been no Homes for Ukraine impact on the LCTS claim.
- 1.5.4 It is therefore recommended that approval is given for a new class of discount (where a discount is provided to offset a Homes for Ukraine-related increase in council tax liability during 2022/23. Before determining the award of a discount to any class of properties or persons the policy states that the Council shall consider:
- i. Whether the proposed class would attract any existing statutory exemption or discount; *(the answer is “No” hence the government’s proposed course of action)*
  - ii. The likelihood of funding coming from other sources which could be used to reduce the Council Tax liability to the proposed class (or reduce the cost to the Council of such an award) e.g. central government funding for victims of national disasters or individuals having their own insurance cover; *(these discounts will be offset by the reduction in such persons’ council tax support payments)*
  - iii. The financial cost to the council of granting a local discount to the proposed class; *(no additional cost, due to the CTS offset)*
  - iv. The ongoing effect of granting the discount e.g. is the discount so generous that it might attract persons falling into that class to relocate to the District thus incurring further financial costs? *(this is considered unlikely as this class only applies to 2022/23 for as long as the household receives the thank you payments)*
  - v. The “reasonableness” of granting a local discount having regard to the impact on other council tax payers within the District. *(Officers feel that it is reasonable to offer this financial safeguard to host households, especially as it has no overall increase in costs for the Council).*
- 1.5.5 It will not be necessary for council tax payers to formally apply for these discounts provided to offset a Homes for Ukraine-related increase in council tax liability during

2022/23. Officers dealing with adjustments to council tax support in such cases will automatically apply the discount for 2022/23. This will result in revised bills (with less council tax support, offset by a discount), but the overall amount to pay will remain unchanged.

## 1.6 Changes to the policy to add an appeals process

1.6.1 Under the policy, the decision to award a discount or reject an application is made by the Director of Resources under delegated authority.

1.6.2 The current policy states that if a council tax payer disagrees with the Director of Resources' decision, the council tax payer may make an appeal to the Valuation Tribunal. The Valuation Tribunal is independent of the Council and will consider the case at a hearing. The process is explained [on their website](#).

1.6.3 The Council's Legal Services Manager has recently reviewed the current policy and stated that it would be good practice for the Council to have its own review / appeals process prior to directing dissatisfied council tax payers to the Valuation Tribunal.

1.6.4 Officers consider that the best approach would be to refer such requests to the Appeals Committee. The policy has been updated to reflect this.

## 2 RISK ASSESSMENT

### 2.1 Legal

The Council is allowed to give discretionary discounts to Council Tax under section 13A 1 (c) of the Local Government Finance Act 1992. This policy clarifies the situations in which officers can exercise their delegations to grant such discounts. The adoption of the policy reduces the risk of successful appeals in refusing discounts if the policy is followed, therefore the legal risk is low.

### 2.2 Financial

Care leaver backdating - While income from council tax has to be shared with major preceptors (this Council receives around 14%), the cost of these discounts is borne wholly by this Council. Removing the cap on backdating care leaver discounts will, therefore, increase costs to the Council, the value of which is difficult to forecast at this stage. However, given the levels of discounts awarded in recent years and the changes that are proposed in this report, the cost of this change is not expected to be significant.

Appeals process – the costs of the revised appeals process can be met from existing budgets.

Class of discounts provided to offset a Homes for Ukraine-related increase in council tax liability during 2022/23 – this discount will be offset by a corresponding reduction in council tax support. Regulations have been laid by the government so that the costs of these discounts are not wholly borne by the billing authority but shared amongst major preceptors. This means that there is no overall cost to this council.

The financial risk of the report recommendations is assessed as low.

### **3 OTHER CONSIDERATIONS**

- 3.1 In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, health, human rights, personnel and property.
- 3.2 Climate change: There are not considered to be any climate change impacts associated with the recommendations of this report.

### **4 CONTACT INFORMATION**

- 4.1 Karen Henriksen, Director of Resources

01629 761284 email [Karen.henriksen@derbyshiredales.gov.uk](mailto:Karen.henriksen@derbyshiredales.gov.uk)

### **5 BACKGROUND PAPERS**

- 5.1 Government guidance relating to Thank You Payments for Homes for Ukraine <https://www.gov.uk/government/publications/82022-council-tax-information-letter-01-april-2022>

### **6 ATTACHMENTS**

**Appendix 1** – Revised policy for council tax discretionary discounts under section 13A 1 (c) of the Local Government Finance Act 1992)



# Policy for Council Tax Discretionary Discounts

## Under Section 13A (1) (C) of the Local Government Finance Act 1992

### 1. Introduction

- 1.1 Section 13A (1) (c) of the Local Government Finance Act 1992 (as amended by Section 10 of the Local Government Act 2012) allows the Council (in its capacity as billing authority) to reduce the amount of Council Tax payable to such extent as it thinks fit. This includes the power to reduce the council tax to nil.
- 1.2 The Council has the right to choose whether to use powers on a case by case basis to individual council tax payers or to specify a class of case, where several taxpayers may fall into a group due to similar circumstances (e.g. national disasters, such as severe flooding, coronavirus pandemic).
- 1.3 There is a financial implication to awarding discounts under Section 13A (1) (c) as the Council has to finance all such discounts from its own funds, whereas council tax income is shared with other preceptors (and this Council only retains around 14%). Therefore awards must meet the underlying principle of offering value for money to Council Tax payers. Normally the council will **not** grant local discounts unless there are very exceptional circumstances, however where the circumstances meet the criteria outlined in 3 below a discount may be granted. In any case, the Council will give consideration to all matters placed before it when considering whether a discretionary discount should apply.
- 1.4 This policy sets out how Derbyshire Dales District Council will consider applications and apply discounts under section 13A (1) (c). This updated policy applies from 28<sup>th</sup> January 2022.

### 2. Purpose of the policy

- 2.1 This policy outlines the conditions that should be satisfied in order for the Council to consider awarding discounts.
- 2.2 The policy is intended ultimately to enable the Council to provide discounts:
  - to specific classes of applicants, such as care leavers, households affected by national disasters, significant flooding events; or
  - to those who would suffer undue financial hardship if they had to pay the council tax without a discretionary discount, in cases of unforeseen or exceptional circumstances that affect their homes or wellbeing; or
  - to comply with government guidance.
- 2.3 The Council provides a Council Tax Support (Reduction) (CTS) Scheme in accordance with section 13A of the Local Government Finance Act 1992. The Council's CTS scheme can be downloaded from the Council's website.
- 2.4 This discretionary discounts policy is independent of the Council's CTS scheme.

### 3. Award criteria

3.1 Section 13A (1) (c) discount awards will be used in cases of unforeseen or very exceptional circumstances that threaten taxpayers' abilities to fund the cost of council tax and may affect their homes (e.g. properties affected by severe flooding). They are also used for certain categories of council tax payers that the Council has chosen to assist (such as care leavers) or to comply with government guidance.

3.2 The main features of this discount are that:

- it is discretionary;
- an applicant does not have a statutory right to a payment;
- the operation of the scheme is for the Council to determine;
- the Council may choose to vary the way in which funds are allocated according to community needs and Council resources;
- if the applicant is dissatisfied with any decision taken on a claim that they have made, they can ask for further details on the decision and make an appeal in line with Section 6.4 of this Policy.

3.3 To maintain equity between all council tax payers within the District, local discounts to **a class of persons or properties** should only be granted in exceptional circumstances. Before determining the award of a discount to any class of properties or persons the Council shall consider:

- i. Whether the proposed class would attract any existing statutory exemption or discount;
- ii. The likelihood of funding coming from other sources which could be used to reduce the Council Tax liability to the proposed class (or reduce the cost to the Council of such an award) e.g. central government funding for victims of national disasters or individuals having their own insurance cover;
- iii. The financial cost to the council of granting a local discount to the proposed class;
- iv. The ongoing effect of granting the discount e.g. is the discount so generous that it might attract persons falling into that class to relocate to the District thus incurring further financial costs?
- v. The "reasonableness" of granting a local discount having regard to the impact on other council tax payers within the District.

The Council has determined that local discounts should be awarded to **care leavers**. Further details relating to this class of persons are set out in 3.5 below.

3.4 To maintain equity between all council tax payers within the district, local discounts in respect of **individuals** will **not normally be granted**. However in some cases there may be exceptional circumstances. In determining whether there are exceptional circumstances the following should be taken into account:

- i. **Could the taxpayer have taken reasonable precautions to avoid incurring a council tax liability, for example by seeking advice from the council?**

- The personal circumstances of the individual should be taken into account but usually a discount would not be granted in these circumstances.
- ii. **Does the council tax liability arise through circumstances which could not have been reasonably envisaged by the taxpayer and which are beyond the taxpayer's control? For example the taxpayer is left a property by a deceased person which cannot be sold or otherwise utilised. Will these circumstances cause the taxpayer undue hardship?**
- A local discount equal to the empty homes premium may be awarded where there is evidence that all reasonable steps have been taken to dispose of an **age-designated property** for at least two years; the period of discount will not commence before the two years have expired. An age designated property is defined as one where residents have to be over a certain age and usually applies to specialist housing for older people;
  - The personal circumstances of the individual should be taken into account and a discount could be considered after consideration of the other remaining factors.
- iii. **Has the taxpayer become subject to legal provisions which Parliament intended for another cause resulting in the taxpayer suffering injustice? Will these circumstances cause the taxpayer undue hardship?**
- Can the taxpayer take any reasonable steps to rectify this situation? If so, this will be taken into account when the application is considered. If no reasonable steps can be taken, a discount could be considered after consideration of the other remaining factors.
- iv. **What are the taxpayer's current financial circumstances? Will the taxpayer obtain some future gain from the property on which the Council Tax liability arises?**
- Could payment of the council tax be deferred until the gain is realised? If so, payment should usually be deferred rather than granting a discount. A charging order would secure the council's interest in the property.
- v. **Are there any other statutory exemptions, discounts, council tax support or benefits which could reduce the liability and the burden on the tax payer?**
- The extent to which these reduce or assist in payment of the tax liability will determine whether a discount should be granted and how much should be granted.
- vi. **Would failure to award a discount conflict with legal provisions or government guidance?**
- A local discount equal to the empty homes premium may be awarded where the tax payer provides evidence that the relevant property is genuinely on the

market for sale or rent (without the need to provide evidence of undue hardship).

The Council will make all decisions on the basis of merit; it will act fairly and reasonably and will have regard to all the relevant circumstances.

3.5 Where the scheme applies to a **local council tax discount for care leavers**, the following criteria will apply:

- i) A care leaver is defined as a young person aged 18 to 25 who was formerly a child in the care of a local authority and who then became a 'care leaver' as described in The Children (Leaving Care) Act 2000 and is liable for Council Tax on a dwelling within the Derbyshire Dales District Council area.
- ii) Applications may be made by the care leaver or by the Leaving Care Team, or equivalent, for and on behalf of the care leaver previously registered with a local authority in the financial year immediately preceding their 18th birthday.
- iii) Council Tax Discount will be awarded on a property that is occupied as the care leaver's sole or main residence in the District Council's area, from the date of the care leaver's 18th birthday until the day immediately preceding their 25th birthday, as follows:
  - a. Where the care leaver is the sole occupant of the property a discount will be awarded that is equivalent to 100% of the residual balance of Council Tax payable after the award of any other discount, relief or exemption.
  - b. Where a care leaver is jointly liable a proportionate award will be made according to their individual circumstances, e.g. if there's one other occupier then a 50% discount will apply.
  - c. Where the care leaver is not liable for Council Tax no discount will apply.
- iv) Discounts will be subject to annual review of eligibility which will include financial circumstances.
- v) The Scheme may be varied or terminated on 12 months' notice on a decision by the Council. (We will keep the Scheme under review as regards cost and administration).

This discount is in addition to the Council's current Local Council Tax Support Scheme (CTS scheme) and will provide assistance to people living within the District that have previously been in care and meet the appropriate qualifying criteria, as detailed above.

The Local Council Tax Discount for Care Leavers Scheme will only be applied after all other relevant discounts and exemptions have been applied. Where the qualifying criteria is met and all discounts and exemptions, including CTS, do not cover the full Council Tax charge, then under this scheme the qualifying care leaver will receive further assistance to cover 100% of their council tax charge.



## **4. Application Process**

- 4.1 Unless the Director of Resources has determined that applications are not required under certain circumstances, applications should be made in writing (including email) to the Revenues Team under the title of Section 13A (1) (c) Discount Application. Applications may be made by the customer claiming the reduction, or a party authorised by the applicant.
- 4.2 Each application must set out the circumstances upon which the application is based and should include:
1. The level of discount being requested (i.e. is this for the full year's council tax or part of it, such as 50%);
  2. The reason for the request (i.e. why is the discount wanted and how this meets our policy);
  3. Whether the applicant is a Care Leaver
  4. Period of time the discount is wanted for (i.e. the full financial year, part of financial year or some other period of time);
  5. Steps that have been taken to meet or mitigate the council tax liability (i.e. any other discounts or reductions awarded).
- 4.3 Where the costs of the local discount are likely to be reduced by government funding, the award of any discount will reflect any government guidance or, where local discretion is allowed, be defined by the Council for that specific instance.
- 4.4 The application process may be amended by the Director of Resources where deemed necessary to streamline processing e.g. to award discounts to a class of persons following a national disaster.
- 4.5 The Council aims to make a decision within 28 days of receiving all the information required.

## **5. Eligibility Criteria**

- 5.1 Each application will be considered on its individual merits against the conditions set out above.

## **6. Awarding a Section 13A (1) (c) Discount**

### **6.1 Evidence required for individual applications (not care leavers)**

In deciding whether to make a Section 13A (1) (c) award the Council will have regard to the applicant's circumstances. In order to do this the Council may make enquiries regarding the income and expenditure of all household members. Household members may be asked to supply reasonable supporting evidence to substantiate the answers that they give to the questions above. This may include, but is not limited to:

- income & expenditure statements;
- any sources of credit such as cash cards, credit cards, store cards, cheque cards, cheque accounts, overdraft facilities, loan arrangements;
- evidence of illness or other causes of undue hardship;
- evidence that the property is genuinely being marketed for sale or rental (in cases where the discount is requested to offset an empty homes premium);
- any help which is likely to be available to the applicant from other sources;
- evidence of any other special circumstances.

Where information or evidence requested has not been received within 21 days the Council will determine the application on the basis of the evidence and information in its possession. The Council may refuse to grant discounts where the absence of information and evidence prevents the Council from reaching an informed decision regarding the applicant's circumstances.

## **6.2 Amount of discount**

The amount of discretionary discount to be awarded will be at the Council's discretion. Any amount of discount granted will be credited to the council tax account.

## **6.3 Period of discount**

The Council retains ultimate discretion over the period for which a discount may be granted. The Council retains the right to withdraw a discount at any time, including for retrospective periods, if the:

- conditions or circumstances in which the discount was granted change or fail to materialise;
- information submitted as part of the application proves misleading;
- applicant ceases to be a council tax payer.

The customer must advise the Council of any such relevant change to their circumstances within 14 days of the change occurring.

## **6.4 Decision making and appeals**

Any discount granted in accordance with this policy must be determined as follows:

- 6.4.1 Our aim is to make decisions on these discounts within 28 days of receipt of application and all relevant information. The applicant will be notified of the decision in writing. The notification will include the decision and details of any amount of discount to be awarded and the period to which the award relates.
- 6.4.2 Where the request for a Section 13A (1) (c) discount is unsuccessful or not met in full the Council will explain the reasons why the decision was made, and explain the applicant's right of appeal.
- 6.4.3 Where a Council Tax payer disagrees with the Director of Resources' decision, the council tax payer may request that the decision be reconsidered by the Council's Appeals Committee.
- 6.4.4 Requests for reconsideration should be made in writing within 21 days of notification of the original decision and should detail the reasons for the request.

- 6.4.5 Upon receipt of a request for reconsideration the Director of Corporate & Customer Services will review the original decision and consider whether there are sufficient grounds to refer the decision to a sub-committee made up of three Members of the Licensing and Appeals Committee.
- 6.4.6 The ability to appeal does not deny the applicant the right to complaint through the District Council's complaints procedure, however the failure to take advantage of this ability may be taken into consideration when replying to the complaint.
- 6.4.7 Nothing in this policy is intended to fetter the discretion of Members on appeal to divert from the policy if deemed appropriate to do so. If the Sub-Committee take such a decision, reasons for diverting from policy will be given.
- 6.4.8 The Council will notify a customer of its decision within 21 days of the Sub-Committee hearing.
- 6.4.9 Where a council tax payer disagrees with the decision of the Appeals Committee, the council tax payer can make an appeal to the Valuation Tribunal. The Valuation Tribunal is independent of the Council and will consider the case at a hearing. The process is explained [on their website](#).

## **7 Overpayments**

- 7.1 If the Council becomes aware that the information contained in an application for a Section 13A (1) (c) Discount was incorrect or that relevant information was not declared, either intentionally or otherwise, the Council may seek to recover the value of any discount awarded as a result of that application. The discount will be removed from the relevant council tax account and any resulting balance will be subject to the normal methods of collection and recovery applicable to such accounts.

## **8. Fraud**

- 8.1 The Council is committed to the fight against fraud in all its forms. Any applicant who tries to fraudulently claim a Section 13A discount might have committed an offence under the Fraud Act 2006.
- 8.2 If the Council suspects that fraud may have occurred, the matter will be investigated as appropriate and this could lead to criminal proceedings.

## **9. Publicity**

- 9.1 The Council will publicise the scheme via their council tax literature and their website, and provide information to relevant agencies, stakeholders and other Council services.

## **10. Monitoring**

- 10.1 The Council will monitor Section 13A Discount awards to ensure that this policy has been applied fairly and consistently.
- 10.2 The Governance and Resources Committee will retain an overview of the policy and will receive an annual report on the application of the Policy.

COUNCIL  
27 April 2022

Report of the Director of Community & Environmental Services

## **WASTE & RECYCLING CONTRACT OPTIONS APPRAISAL**

### **PURPOSE OF REPORT**

To update Members on a report produced by Recircle Consulting detailing a qualitative assessment of the options available to the Council, should the Council find itself in a terminal dispute position on its Waste Management Contract with Serco Ltd and to seek authorisation for the commissioning of a detailed qualitative review of an in-house service delivery option.

### **RECOMMENDATIONS**

1. That the Stage 1 qualitative assessment of service delivery options undertaken by Recircle Consulting be noted.
2. That Council agrees to the commissioning of a Stage 2 quantitative assessment to develop a detailed analysis of the necessary steps, measures, timescales and costs of changing the Council's Waste & Recycling service to an 'in-house' service delivery model.
3. That Contract Standing Orders for the procurement of consultants to undertake a Stage 2 assessment be waived in the interests of expediency in order to maintain the functioning of a public service and to avoid serious disruption to Council services.
4. That the Chief Executive and the Director of Community & Environmental Services continue to explore opportunities for partnership working and/or joint delivery of the Waste & Recycling Service with neighboring Local Authorities
5. That subject to recommendation 2, approval be given to a supplementary revenue budget of £30,000 for the appointment of an external consultant to undertake this project, financed from the waste and recycling reserve.
6. That a further report be presented to Council upon completion of the Stage 2 assessment.

### **WARDS AFFECTED**

District-wide

### **STRATEGIC LINK**

The delivery of an efficient and effective waste management service through the existing Waste Management contract, contributes towards the District Council's priority of keeping the Derbyshire Dales clean, green and safe. It must also balance affordability with quality in reflecting the District Council's Medium Term Financial Strategy.

## 1 BACKGROUND

- 1.1 The waste and recycling service is one of the most fundamental statutory services performed by the District Council and is, perhaps, the most high profile service received by the public. It therefore needs to meet the demands of the public whilst recognising recent changes in the waste management industry.
- 1.2 The District Council has outsourced its waste collection and recycling service since August 1989. The current waste and recycling contract is operated by Serco Ltd, who were the incumbent and successful bidder for the contract which commenced in August 2020. The contract comprises of alternate weekly domestic, garden and recycling waste collections, as well as a separate weekly food waste collection. The contract also includes the provision of a trade waste collection service.
- 1.3 Whilst the previous contract delivered by Serco from 2012 until 2020, was delivered successfully with excellent recycling rates, regular collections and high customer satisfaction survey results, the new contract has experienced significant disruption and inconsistent service delivery as highlighted in the recently completed Waste Management Contract Independent Review (Council report - 17<sup>th</sup> February 2022).
- 1.4 The impact of Brexit, the global COVID-19 pandemic and the more recent HGV driver crisis affected the initial delivery of vehicles and the ability to fully staff the contract on a daily basis. Whilst the extent of these issues would have been difficult to foresee, Serco's performance on the contract has not been sufficient enough to respond to these challenges. The conclusion of the Independent Review was that there has been an incomplete delivery of the contract requirements by Serco and that the Council has not received the benefits of the whole of the contract as intended.
- 1.5 In addition to the external factors impacting the service, Serco Ltd have not implemented or maintained many of their contractual obligations. This includes, but is not limited to, the provision of monthly, quarterly and yearly management and performance information, installation of 360 degree camera of vehicles, full implementation and use of the Management Information System and the implementation of recycling collections for trade waste collections.
- 1.6 As a result of the issues noted above, residents across the district have seen a significant and unacceptable level of disruption to waste collections. There have been an unprecedented amount of calls and complaints from residents regarding missed collections and there has been much public criticism of Serco's performance on this contract.
- 1.7 Since the start of the new contract, Officers have experienced difficulty in accessing relevant contract and performance information, which is crucial to the effective management of the contract. One impact of this is the reduced ability for Officers to provide residents with accurate (or at times, any) information on rescheduled collections, which the Council considers to be a fundamental aspect of customer service provision.
- 1.8 In addition, maintaining a consistent line of communication with Serco has proved challenging due to the high turnover and absence of management staff. There have been 3 different Regional Directors and 4 different Contract Managers, since the beginning of the contract in August 2020.

- 1.9 Concerns, both formally and informally, were raised with Serco in the first few months of the contract. Whilst the Council initially showed support to Serco, with the aim of resolving these matters, unfortunately, and despite numerous assurances from the contractor, several of these concerns remain. This has resulted in the Council applying the more punitive, and financially focussed, measures within the contract. To date the Council has applied the maximum amount of financial deductions available to them for both year one and year two of the contract.
- 1.10 Regular meetings with Serco's senior management team continue to take place in an attempt to address the Council's concerns. These meetings have included the relevant Contract Managers, Regional Directors and Serco's MD for Environmental Services. Following further changes in personnel at Serco, the Chief Executive alongside the Director of Community and Environmental Services now has a regular dialogue with senior management at Serco which includes, the Managing Director for Citizens Services (Serco UK and Europe).
- 1.11 Further commitments have been given by Serco to address the outstanding issues and a programme of improvement has been agreed. Whilst there has been some progress made on the outstanding issues, it is looking increasingly likely that not all of the matters will be resolved without a request for additional funding from Serco at some point in the future. At present no formal or informal request has been received, although through discussions regarding increased tonnages for recyclable waste and the need to change disposal sites for garden and food waste, Serco have alluded to a loss of approximately £700,000 per annum on the existing contract excluding the increased costs arising from the change in disposal site for garden and food waste. It is therefore extremely likely that in the future, there will be an increase in costs on waste and recycling, irrespective of who delivers the service.
- 1.12 The Council therefore needs to position itself such that any request for additional financial contributions from Serco in the future, can be assessed against other potential service delivery options and costs. Officers have therefore commissioned a stage 1 qualitative assessment of the options to provide useful information for the Council to help provide direction and / or eliminate options from detailed evaluation.
- 1.13 A copy of the stage 1 evaluation undertaken by Recircle Consulting, is attached at Appendix 1.

## **2 REPORT**

- 2.1 In assessing possible alternative options, Officers, supported by Recircle Consulting, have considered the following delivery models:
- In-house service delivery
  - Creating a Local Authority Company (LAC)
  - Procuring a new contract (outsourcing)
- 2.2 The attached report from Recircle Consulting provides a qualitative analysis of these options, including projected timescales, level of risk, flexibility, deliverability and cost implications for each of the options noted above.

- 2.3 In addition to the 3 options above, there may be an opportunity for working in partnership with other neighbouring Local Authorities to provide a waste and recycling collection service.
- 2.4 Whilst the attached report provides Members with a more detailed overview of the options, the key points of those options are noted below.

#### In-house service delivery

- 2.5 Derbyshire Dales District Council has not operated an in-house waste and recycling service since August 1989. Whilst the Council owns the refuse collection vehicles on the contract, and sub-leases the depot to Serco, it would need to undertake a TUPE transfer of the workforce to staff the service. This can take several months to achieve and will require negotiations and trade union involvement. It would also see an increase in overall employer pension costs.
- 2.6 It should also be noted that at the present time, Serco does not have sufficient permanent staff to deliver the full range of contracted services and is reliant upon a pool of agency staff. In delivering an in-house service, the Council would need to recruit more staff to deliver the services and/or utilise agency staff to backfill any gaps in the provisions of a permanent workforce. In addition, it is likely that support service staff resources e.g. HR and payroll would also need to be increased in order to provide an adequate level of support to the service.
- 2.7 Whilst an in-house service delivery model would give a greater level of control to the Council, it would also expose the Council to 100% of risks, including fluctuations in commodity values, increased staff and fuel costs as well as unexpected changes to legislation.

#### Local Authority Company (LAC)

- 2.8 One option would be for the Council to set up a Local Authority Company (LAC) to operate as a 'trading arm'. The benefit of this approach is that the Council would be able access relief and/or exemption from certain tax implications, whilst essentially operating the service 'in house'. Approximately 10% of Councils currently operate a LAC. Whilst there would be some control over the service, the LAC could operate outside of the Council's decision making process, once the objectives and budgets have been approved. It would take approximately 18 months to set-up and implement a LAC.

#### Procuring a new contract

- 2.9 This would essentially be a re-run of the previous process, where Serco were appointed. Once the scope and specification have been approved by Members, the outcome would be subject to a competitive tendering process, with the successful bidder awarded the contract. Based upon previous experience, this process would take approximately two years.
- 2.10 Other options include approaching neighbouring Councils to assess the feasibility of a shared service or partnership model for the delivery of a waste contract or the procurement of an interim solution to bridge the gap between Serco and a new service provision.

- 2.11 Officers from DDDC have previously tried to encourage this approach on a number of occasions in the last few years without success. Whilst there has been some willingness at Officer level to consider this, none of the other Councils progressed this past their initial interest.
- 2.12 Recently, the Chief Executive and the Director of Community and Environmental Service met with a neighbouring Council to revisit this option, as a potential alternative delivery model, should the Council need or choose to exit the current contract. After initial encouraging discussions, further discussions are scheduled to take place.
- 2.13 In order to progress this, further and more detailed discussion would be required.

### Summary

- 2.14 It is considered that continuing with Serco is likely to represent the 'path of least resistance' for the Council. It may also have the shortest delivery programme of the Options, although this is contingent on Serco's response to the current situation. On balance, utilising Serco and restoring service provision ought to be considered the Council's primary aim.
- 2.15 However, if there is no prospect of successfully restoring the services with Serco then the Council may wish to pursue an alternative option, of which the Council has three available. Each of the options has benefits and disbenefits, and none provide a 'golden bullet' solution to the Council's current issues with the waste collection services.
- 2.16 Each option attracts significant risks to its implementation and delivery. The waste collections market is currently a "sellers' market" due to the lack of competition, and the District has attributes which are likely to make the project a high-risk prospect. Bringing the service in-house will require a step-change in the approach taken by the Council to manage waste collections and will create a significant administrative burden compared with an outsourcing approach.
- 2.17 It is therefore considered that the Council should continue to work pro-actively with Serco to address the outstanding contractual issues in order to ensure that residents receive a reliable waste collection and recycling service, whilst simultaneously commissioning a stage 2 quantitative assessment for an in-house service delivery option.

## **3 RISK ASSESSMENT**

### Legal

- 3.1 The Council is currently contracted to Serco, however there is nothing that does not allow the Council to consider all options available to them especially taking into account the historical and continued level of service. It is also prudent to have investigated contingency plans in case the Council is required to serve notice due to Serco



breaching the contract, if efforts to ensure that Serco comply with its contractual arrangements fail . The legal risk is therefore low.

## Financial

- 3.2 As stated above, the Council needs to position itself such that any request for additional financial contributions from Serco in the future, can be assessed against other potential service delivery options and costs. Should such a request be received, the financial implications will be assessed and reported to a future Council meeting should approval be required for additional expenditure.
- 3.3 If the Council agrees to the commissioning of a Stage 2 quantitative assessment to develop a detailed analysis of the necessary steps, measures, timescales and costs of changing the Council's Waste & Recycling service to an 'in-house' service delivery model, the estimated cost for the appointment of an external consultant to undertake this project is upto £30,000. As there is no approved budget for this, approval is sought for a supplementary revenue budget of £30,000 for the appointment of an external consultant to undertake this project, financed from the waste and recycling reserve. The reserve currently has a balance of £555,188.
- 3.4 The financial risk of the report recommendations is assessed as low. To proceed without a detailed study could leave the Council exposed to ill-informed decision-making and financial risks, should it wish to proceed with an in-house option at a later date.

## 4 OTHER CONSIDERATIONS

- 4.1 In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, health, human rights, personnel and property.
- 4.2 Climate Change - there are not perceived to be any direct climate change impacts associated with the recommendations contained within this report. If approved, the Stage 2 quantitative assessment should include an evaluation of the climate change impacts of changing to an 'in-house' service delivery model.

It should be noted at this stage that emissions associated with the delivery of the current outsourced waste contract are not currently included in the Council's annual 'carbon footprint' as these are defined as 'scope 3' - all other indirect emissions that occur in a company's / organisation's value chain. If the service was delivered 'in-house' the Council would expect to see a significant increase in direct emissions going forward. This would need to be considered in line with the commitment contained within the Council's approved Climate Change Strategy and Action Plan to be net zero in respect of Council operations by 2030. The Stage 2 assessment should include consideration as to whether the 'in-house' model service delivery presents the best opportunity for Council to make meaningful reductions in emissions, however they are reported.

## 5 CONTACT INFORMATION

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**6 BACKGROUND PAPERS**

Waste Management Contract Independent Review – Council 17<sup>th</sup> February 2022

**7 ATTACHMENTS**

Appendix 1 : Stage 1 Options Appraisal Report by Recircle Consulting



Initial Commissioning Options  
Appraisal, Waste Collections

Derbyshire Dales District Council

APRIL 2022

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## Document history and status

Version number	Date issued	Revision type
V1.0	13 <sup>th</sup> February 2022	Draft issued for client review
V2.1 (final)	12 <sup>th</sup> April 2022	Final

**Client:** Derbyshire Dales District Council

**Report prepared by:** Nik Hughes-Roberts

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LIMITATION: This report has been prepared on behalf of and for the exclusive use of Recircle Consulting Limited's Client, and is subject to and issued in connection with the provisions of the agreement between Recircle Consulting Limited and its Client. Recircle Consulting Limited accepts no liability or responsibility whatsoever for the use of this report for any purpose other than within the Client agreement, or in respect of any use of or reliance upon this report by any third party.



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# 1. Introduction

Derbyshire Dales District Council ('the Council') commissioned Recircle Consulting ('Recircle') to undertake a Commissioning Options Appraisal in relation to waste collection services. The purpose of the Commissioning Options Appraisal is to:

- ❶ set out the project context and help the Council to understand the market conditions for waste collection services;
- ❷ identify the options available to the Council in commissioning services to discharge its duties as a Waste Collection Authority; and
- ❸ undertake a qualitative assessment of the options so that the Council can understand the characteristics of each.

The Commissioning Options Appraisal is intended to examine the different service delivery methods for waste collection services in the event the Council wishes to explore an alternative to the Waste Collections Contract delivered by Serco. This report details the first stage of the Commissioning Options Appraisal - details regarding the scope and phasing of the project are provided in Section 4 below.



## 2. Glossary

Term	Meaning
<b>Commissioning Options Appraisal</b>	This appraisal of the available options for the Council to commission waste collection services to fulfil its statutory obligations under the EPA1990
<b>CRM</b>	Customer relationship management software
<b>Deposit Return Scheme (DRS)</b>	A new recycling system for beverage containers, DRS is a scheme in which a small deposit is added to the price of an item, in-store or online, which can be refunded to the consumer when they return the packaging for the item, and is proposed to be implemented in England in 2024 via the Environment Bill
<b>Direct Service Organisation (DSO)</b>	A DSO is a business unit of a United Kingdom local authority
<b>EPA1990</b>	The Environmental Protection Act 1990, which sets out statutory duties for Waste Collection Authorities
<b>Extended Producer Responsibility (EPR)</b>	EPR is a policy approach under which producers are given a significant responsibility – financial and/or physical – for the treatment or disposal of post-consumer products. EPR is proposed to be implemented in England in 2023 via the Environment Bill.
<b>HGV</b>	Heavy Goods Vehicle
<b>Independent Review</b>	The review relating to failings in the waste collection service, as resolved by Members at the Environment and Communities Committee meeting of 17 <sup>th</sup> November 2021 and in accordance with the Terms of Reference agreed at the same meeting
<b>LARAC</b>	The Local Authority Recycling Advisory Committee: <a href="http://www.larac.org.uk">www.larac.org.uk</a>
<b>Local Authority Company (LAC)</b>	A Council-owned company which can be setup to deliver services to the Council under a Service Level Agreement
<b>Management Information System (MIS)</b>	A system for the collection, storing, processing and reporting of data in relation to waste collections and contractor performance
<b>P&amp;Ps</b>	Policies and procedures
<b>RCV</b>	Refuse collection vehicle
<b>TUPE</b>	The Transfer of Undertaking (Protection of Employment) Regulations 2006
<b>Waste Collection Authority (WCA)</b>	A local authority in the UK charged with the collection of municipal waste under the EPA1990



Term	Meaning
<b>WCA duties</b>	The statutory duties for waste collections which apply to Derbyshire Dales District Council under the EPA1990
<b>Waste Collections Contract</b>	The current waste collections contract between Derbyshire Dales District Council and Serco (2020 – 2028)
<b>Waste Disposal Authority (WDA)</b>	A local authority in the UK charged with the disposal of municipal waste under the EPA1990





## 3. Background and Context

### 3.1. Statutory duties

The Council has statutory duties as a Waste Collection Authority (WCA) under Environmental Protection Act 1990 ('EPA1990'), which require it to collect and process household wastes. To discharge its duties as a WCA, the Council has historically opted to outsource waste collection services to the private sector, with a specialist waste collections contractor delivering the services on behalf of the Council.

In 2017-18, ahead of the expiry (in 2020) of the contract with Serco, the Council considered the options regarding how it could discharge its future duties as a WCA. The Council considered alternative service delivery options, such as to deliver the service 'in-house' or via a Local Authority Company ('LAC'). Following these considerations, the Council concluded that it would continue outsourcing its waste collection service requirements.

During the period 2018-20, the Council undertook work to procure a new Waste Collections Contract. Following a competitive tender process, Serco was awarded a new contract to deliver waste collection services for the Council for the period 2020 to 2028. This new Waste Collections Contract is a direct replacement for the previous waste contract under which Serco operated on behalf of the Council.

### 3.2. Waste Collections Contract

Since Serco commenced the Waste Collections Contract in August 2020, the Council witnessed significant issues with the delivery of the services. These included failing to complete all required collection rounds, high numbers of missed collections, and issues with provision of incomplete or unreliable data pertaining to the delivery of the Services.

The Council has received complaints from residents regarding the standard of the service. To understand the issues further, the Council commissioned an independent review of the Waste Collections Contract ('the Independent Review') to better understand the extent of performance issues and the market context.

The Independent Review identified that whilst there may be some mitigating circumstances, Serco has performed poorly (and continues to perform poorly) against its contractual obligations.

### 3.3. Market conditions

Since the Council procured the Waste Collections Contract, there have been significant changes to the market conditions for delivering such services. Factors such as increased volumes of waste due to the national shortage of Heavy Goods Vehicles (HGV) drivers, the Covid-19 pandemic, and increasing fuel / energy prices are all changing the landscape for delivery of waste collection services. These issues are discussed further in Section 5.

### 3.4. Commissioning Options Appraisal

The Council is currently working with Serco to resolve the performance issues on the Waste Collections Contract, with the primary objective of restoring services for residents through application of contractual mechanisms and discussions with Serco on variations which may be required to address changes in



market conditions. Providing support to Serco is likely to offer the fastest route to restoring the delivery of services to the high standards expected of the Council.

Notwithstanding the above, in the event the Council's relationship with Serco under the Waste Collections Contract becomes untenable, then the Council will need to understand the options it has available to ensure continuity of waste collection services. This Commissioning Options Appraisal identifies and assesses the options available to the Council under these circumstances.



## 4. Scope of the Commissioning Options Appraisal

This Commissioning Options Appraisal considers the service delivery options which may be available to the Council in the event the Council agrees with Serco to end the existing relationship. This will enable the Council to consider how best it can continue to discharge its statutory duties as a WCA and minimise further disruption to services. The Commissioning Options Appraisal considers the range of options available to do this, using examples from other local authorities to demonstrate previous precedence along with the deliverability of the options.

The Commissioning Options Appraisal applies a qualitative assessment to describe the relative characteristics of each option. It may also be necessary to undertake a quantitative assessment in the future, to obtain a better understanding of potential future costs for service delivery, given the current flux in market conditions.

This Commissioning Options Appraisal reviews only the *service delivery methods*; as such it does not consider the *service design* (the types of containers / vehicles used for collection, frequency of collections, waste streams collected etc). It is appropriate that the *service delivery methods* and *service design* should be considered separately. At this time, it is understood that revisiting the service design is not considered a priority to the Council. The Council could revisit this decision in the implementation of any future option it decides to take.

This Commissioning Options Appraisal assumes that the Council will not seek to work in partnership with any neighbouring local authorities at this time. This is because the Council is faced with many challenges to restore services to the standards expected of the Council, and this is treated as a major objective for the project. Partnering may bring some opportunity to find efficiencies in the service delivery, but it would also introduce additional complexities. This notwithstanding, partnering remains an option available to the Council for consideration, and is discussed further in Section 8 of this report to provide additional context and to set out potential partnering options for the future.

### 4.1. Process for the Commissioning Options Appraisal

The process for the Commissioning Options Appraisal has been designed to be delivered in two stages so that the Council can receive an initial assessment of the options within a short timescale. The proposed process is as follows:

- 📍 **Stage 1:** A qualitative assessment of the options, to provide useful information for the Council to help provide direction and / or eliminate options.
- 📍 **Stage 2:** A more detailed review of selected options, which may include (to the extent relevant) a quantitative estimate of future costs for delivering the waste services, and development of a 'roadmap' for implementation of the options.

This report covers Stage 1 of the Commissioning Options Appraisal.



## 5. Market Conditions

### 5.1. Introduction

In assessing the future options for delivery of waste collections, it is important to consider the current market conditions. There are several issues which are heavily impacting / influencing waste collections, including:

- ❑ The national shortage of HGV drivers;
- ❑ The increased volumes of waste collected from households, due to Covid-19 related behavioural changes;
- ❑ Upcoming legislative changes; and
- ❑ The cost of fulfilling WCA duties is likely to continue to increase in the short- and medium-term.

This section of the report discusses these key issues and considers how they may impact the options within this Commissioning Options Appraisal.

### 5.2. National shortage of HGV drivers

It is widely accepted that there is a national shortage of HGV drivers, and that this is impacting many businesses / operations which are reliant on road haulage. The Road Haulage Association estimates that there is a deficit of 100,000 HGV drivers in the UK in a market which employs c.600,000 drivers in total. Potential reasons for this driver shortage include:

- ❑ Covid-19 has caused increased illness / isolation time, reducing utilisation of existing HGV drivers;
- ❑ Covid-19 was a factor in motivating HGV drivers to return to their country of origin during extended periods of lockdown and restricted travel;
- ❑ The uncertainty of Brexit and future rights to live and work in the UK has forced many drivers to return to their country of origin;
- ❑ Retiring drivers, combined with a shortage of training and testing capacity, is reducing the pool of HGV drivers in the UK;
- ❑ Driver wages have been suppressed for a long period of time, which is likely to have limited the attractiveness of this career path; and
- ❑ The introduction of IR35 tax legislation has resulted in a change in the agency labour market for drivers, with reduced availability and higher costs.

The HGV driver deficit is not limited to the UK - many countries in mainland Europe also have a deficit of HGV drivers. It is estimated that the European Union has a total deficit of 400,000 HGV drivers. Alongside Brexit and suppressed driver wages, this is likely to make it difficult to attract trained HGV drivers to the UK. It is therefore likely that, in order to reduce the deficit, new drivers will need to be trained - and it is likely to take some time for these drivers to come through the pipeline.

Most local authorities across the UK have, over the last two years, had difficulties in securing sufficient HGV drivers to undertake all collection rounds in their area – and many continue to experience these



difficulties. The Local Authority Recycling Advisory Committee (LARAC) estimates that almost all its 300 local authority members have experienced such difficulties<sup>1</sup>.

There is anecdotal evidence to suggest that the deficit in HGV drivers is creating an upward pressure on wages in this market. As local authority wages are typically low, this could mean that local authorities across the UK may continue to struggle to attract sufficient drivers for some time to come. It is likely that local authorities will be required to adjust driver wages to attract drivers. Private sector employers of HGV drivers are likely to be able to respond to the market correction in wages for these roles at a faster pace than local authorities. It is therefore possible that UK local authorities may continue to face issues with securing sufficient HGV drivers for some time to come, irrespective of how they commission waste collection services (although noting that in an outsourcing arrangement, the private sector employs the staff and therefore may be able to respond faster).

### 5.3. Increases in Household Waste generated

Waste data across UK local authorities clearly shows a relationship between the Covid-19 pandemic and changes in household waste. As the nation responded to the pandemic with enforced 'lockdown' restrictions, people were required to work from home. Whilst offices are now being utilised again, working patterns remain very different compared with pre-pandemic, with a 'hybrid' approach to office use being more widely adopted by employers.

This shift in working patterns can be seen in household waste data, where some local authority waste streams have increased in volume by significant proportions. This increase in waste volume is a result of diversion of waste which would otherwise have been deposited in workplace bins, and therefore be handled via commercial waste arrangements.

With hybrid and flexible working likely to be a sustained feature of future life, it is anticipated that waste volumes will, on balance, increase from the pre-pandemic baseline. An inevitable outcome of increased waste volume will be an increase in the Council's costs for waste collection, handling, and processing.

Where more waste is presented by each household during each collection, refuse collection vehicles (RCVs) will reach their capacity limit sooner, and after collecting from fewer households. This means that the RCVs must tip their loads prior to continuing collections, causing disruption / time delays in completing the collections. Depending on the extent of the change, re-optimisation of the collection rounds may be required. It is entirely possible that additional vehicles and staff, including trained HGV drivers, could be required to meet the additional demand for capacity which results from this increase in household waste.

It is possible that foreseen future legislative proposals such as the Extended Producer Responsibility scheme (EPR) and the Deposit Return Scheme (DRS) could cause a significant reduction in some household waste streams, which may mitigate some of the impacts of the Covid-19 pandemic, as discussed below.

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<sup>1</sup> LARAC News, dated 13<sup>th</sup> January 2022: <https://larac.org.uk/news/larac-survey-shows-impact-omicron-frontline-services>



## 5.4. Policy landscape / legislative change

There is a number of upcoming legislative changes which will impact on household waste collections – this section outlines two of the most important changes to note.

### 5.4.1 Deposit Return Scheme (DRS)

DRS will divert a significant amount of beverage containers away from the household recycling scheme and into the new DRS system, and this is likely to cause a significant reduction to the volume of dry recycling collected by local authorities from households.

It should be noted that DRS is targeted at removing the highest value materials from the dry recycling stream, which will reduce the revenues the Council could obtain through sale of these recyclable materials (following the sorting process). Whilst the scope and details of the DRS system are yet to be confirmed, it appears likely that it would include aluminium and steel beverage cans, HDPE and PET plastic bottles, and glass bottles. Aside from glass, these materials have the highest values of any materials found within the dry recycling stream.

DRS will therefore likely reduce the number of tonnes of dry recycling which the Council collects and sends for processing (therefore reducing the cost for these aspects), but the revenues received from the sale of the separated dry recyclables will also be significantly lower. It is difficult to forecast the aggregate impact of these competing factors, but the Council may wish to consider the potential future volume changes in its long-term strategy for waste management.

Following implementation of the DRS system, the impacts will be seen immediately within household waste. The Council is likely to see a step-change to the dry recycling stream once the DRS 'goes live'.

### 5.4.2 Extended Producer Responsibility (EPR)

EPR will see legal and fiscal changes which aim to drive packaging producers to utilise recycled materials and to promote the future recyclability of their packaging. This may help to simplify packaging materials and enhance householders' ability to correctly segregate packaging materials for recycling, reducing residual waste and reducing contamination in the recycling waste stream.

The impact of EPR on household waste is difficult to forecast because the response to the legislative changes will be driven by the private sector. It is likely to take some time for the system to become established, understood, and optimised.

Following implementation of the EPR system, it is likely that there would be an immediate, if modest change in household waste quantity and composition. This is likely to be followed by a longer period of gradual change as the system develops.

## 5.5. Cost increases

At the time of writing, the cost of living is increasing rapidly. Across the UK, fuel costs have risen by around 27 pence per litre in the last 12 months, a rise of c.23%. Labour costs are increasing in response to supply / demand dynamics, and commodity prices are trending upwards. Two of the largest costs associated with waste collection services are labour and fuel.

As discussed in Section 5.2 above, the shortage of HGV drivers is placing an upwards pressure on driver salaries.



Section 5.3 identifies that recent increases in household waste volumes are likely to become long-term trends, to an extent, due to hybrid working.

Putting these factors together, it seems likely that the costs of collecting household waste will increase, and this will occur irrespective of how the Council decides to commission waste collection services.

Legislative changes such as EPR and DRS may help to reduce the volume of household waste, and this could mitigate this impact in the future. However, the Council should be aware of these factors and the uncertainty of future costs which they will bring.

The Council may be able to mitigate the impacts of cost increases by looking at alternative service designs for waste collections, which could help find efficiencies or improve recycling rates. Improving recycling rates will, overall, reduce the cost of the waste service – this is because, in general, the processing of recycling is less expensive than the processing of residual waste. Efficiencies and improvements in recycling could be found through initiatives such as the following examples:

- ❶ move from a two-weekly to a three-weekly residual waste collection, which would encourage residents to utilise their recycling capacity in preference of residual waste capacity. There is strong evidence linking restrictions on residual waste capacity with improvements in recycling performance.
- ❷ increasing the capacity for dry recycling (e.g. by using two wheeled bins). This would also have the benefit of reducing contamination between the two existing dry recycling streams (fibres / containers).

This notwithstanding, the current cost mechanisms between the Council and Derbyshire County Council (as Waste Disposal Authority) may cause some difficulties in realising these potential savings. It may be appropriate for the Council to open a dialogue with Derbyshire County Council to see how these savings could be unlocked for both parties.



## 6. Options

### 6.1. Outline of available options

There are essentially two options for local authorities to deliver their WCA duties:

- ❶ outsourcing service delivery to the private sector; and
- ❷ delivering the service ‘in-house’.

In addition, there are sub-options for the delivery of an in-house service, including via a Direct Service Organisation (DSO) or a LAC.

Table 1 sets out the typical options for commissioning WCA services:

**Table 1: DDDC’s options for commissioning waste collection services**

#	Option	Description
1	Outsourced	Private sector company delivers the services on behalf of the Council, following a procurement process.
2	In-house, via a DSO	Council delivers the service using staff that would be directly employed by the Council.
3	In-house, via a LAC	Council delivers the service using a LAC, where the LAC would employ the staff.

This Section 6 provides an outline description and some appropriate context for each of these options (“the Options”).

### 6.2. Option 1: Outsourced

The Council’s existing approach to commissioning its waste collection service is outsourcing to a private sector waste management company. The Council has applied this approach since August 1989. In general, the Council performs very well against waste performance indicators, with recycling performance for 2019/20 at 55.6% (ranking 29th of 337 WCAs in England) and waste generated per person at 383.8 kg/pp/yr (ranking 16th of 337 WCAs in England). The previous contract for waste collections (delivered by Serco from 2012 to 2020) was, in general, successfully delivered with high levels of resident satisfaction. This indicates that the outsourced service delivery method has not impeded the Council’s ability to deliver highly successful and high performing waste collection services.

In the future, the Council could continue to commission its waste collection services in this way by procuring a new contract for waste collections. The Council will be able to use the contract to allocate risks to the Contractor as appropriate – this allows the Council to manage its own risk portfolio. However, the waste collections market has seen a number of cases in recent years where private sector contractors have recorded significant financial losses as a result of such risk allocations – often resulting in the Contractor seeking to mitigate their losses, for example through contract variations or agreeing early-termination of the agreement.





If the Council opted to continue to outsource these services, then it will need to consider the procurement strategy which it adopts. The Council will need to consider how it will package the services covered by the Waste Collections Contract, specifically considering the processing of dry recycling.

Option 1 represents a continuation of the Council's current approach to fulfilling its Waste Collection Authority Duties. There are risks associated with this Option which the Council will need to consider in its assessment – further detail and discussion is set out in Section 7.

### 6.3. Option 2: In-house, via DSO

Options 2 describes a solution where the Council delivers the service in-house, as a DSO. Delivering waste collection services via a DSO could be considered a 'traditional' model for discharging WCA duties. Approximately 40% of local authorities fulfil waste collections via a DSO.

The Council would take on the responsibilities associated with all aspects of the service. This would include transferring the relevant staff from Serco to the Council, taking responsibility for the assets used to deliver the services, and taking responsibility for all operational risks. As such, the Council would gain greater control over the service without the restrictions imposed by a detailed contractual arrangement. However, the Council would lose the ability to allocate risks to a contractor.

Within Derbyshire, the majority of neighbouring local authorities opt for this method for some or all waste collections, including Derby City Council, Erewash BC, North East Derbyshire DC, Bolsover DC and South Derbyshire DC.

Option 2 represents a significant shift in the approach to the Council fulfilling its WCA duties, compared with the current arrangements. It will present some challenges in the transition from the existing arrangements, and a change to the culture of how the service is delivered.

### 6.4. Option 3: In-house, via a LAC

An alternative method for delivering an in-house solution is to setup a LAC and appoint this entity to deliver waste collection services. Approximately 10% of local authorities fulfil their WCA duties via a LAC.

The Council would take responsibility for all aspects of the service and would setup an 'arms-length' company to deliver the services on the Council's behalf. The LAC would be 100% owned by the Council, and therefore the Council would take on the responsibilities associated with all aspects of the service. This would include transferring the relevant staff from Serco to the LAC, taking responsibility for the assets used to deliver the services, and taking responsibility for all operational risks. As such, the Council would gain greater control over the service without the restrictions imposed by a detailed contractual arrangement. However, the Council would lose the ability to allocate risks to the private sector, and it may still be constrained by any arrangements it has with the LAC – i.e. there may be less flexibility compared to Option 2: DSO.

Within Derbyshire, none of the WCAs utilise a LAC to deliver an in-house solution. High Peak BC has a less common model of delivery, where waste collection services are delivered by a LAC which is owned by a different local authority (Cheshire East Council) and contracted to High Peak BC in a commercial arrangement. This model is made possible because a LAC has greater flexibility to deliver commercial services, compared to a DSO. This arrangement is effectively outsourcing, and it is understood that High Peak BC would have undertaken a procurement exercise to form this arrangement.



Option 3 would involve a similar shift in the approach and culture in fulfilling WCA duties, but also brings some additional complications associated with setting up a separate legal entity and delegating responsibilities through some form of legal agreement.



## 7. Qualitative analysis of Options

In this Section 7, the three Options are characterised and assessed qualitatively, to provide an overview of the Options available to the Council.

### 7.1. Overview qualitative analysis of Options

This assessment identifies key elements relating to the commissioning of WCA duties, allowing a qualitative comparison of the Options.

Each element is qualitatively assessed in Table 2 below using Red / Amber / Green (RAG) analysis.

**Table 2: Overview qualitative analysis of Options**

Key element	Assessment		
	Option 1: Outsourced	Option 2: In-house, DSO	Option 3: In-house, LAC
Staffing / management of workforce	Green	Red	Red
Acquisition of expertise	Green	Yellow	Yellow
Deliverability	Yellow	Green	Yellow
Ability to transfer risk	Yellow	Red	Red
Cost implications	Red	Red	Red
Flexibility / control	Red	Green	Yellow
Transition timescales / continuity risk	Red	Yellow	Yellow
Commodity price risk	Yellow	Red	Red
Service efficiency	Green	Green	Green
Current market conditions	Red	Green	Green
Assets	Green	Yellow	Yellow

### 7.2. Discussion

This section sets out a discussion on each of the key elements set out above.



7.2.1 Staffing / management of workforce

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
<b>RAG status</b>			
<b>TUPE</b>	Existing staff would transfer from Serco to the incoming contractor. The new contractor would handle all staffing issues.	The Council would directly employ staff to deliver the services, and these staff would fall under the Council's management structures and hierarchy.	The staff would transfer from Serco to the LAC. The LAC would be responsible for managing the staff.
<b>Staffing levels</b>	The staff who transfer from Serco may not provide a full workforce for the service, because Serco currently sources some of the existing workforce through agencies. The incoming contractor would be made responsible for providing sufficient staff to deliver the services and would therefore likely need to recruit additional staff.	The staff who transfer from Serco may not provide a full workforce for the service, because Serco currently sources some of the existing workforce through agencies. The Council will likely need to recruit additional staff.	The staff who transfer from Serco may not provide a full workforce for the service, because Serco currently sources some of the existing workforce through agencies. The LAC will likely need to recruit additional staff.
<b>Employment terms and conditions</b>	The incoming contractor would be required to undertake due diligence on the employment terms and conditions of the staff and satisfy themselves of these arrangements in consideration of their solution / tender.	The Council would need to review the existing employment contracts for any staff transferring from Serco and consider how these contracts align with Council employment contracts. It is possible that there may be some issues to overcome when transferring staff to the Council – these could include terms and conditions which are not typical (and as such may not be acceptable) such as performance related pay.	The Council would need to review the existing employment contracts for any staff transferring from Serco and consider how these contracts align with Council employment contracts.



Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
<b>Policies and procedures</b>	The incoming contractor would provide the relevant policies and procedures (P&Ps) for workforce.	The Council would apply its own P&Ps for the workforce, and would need to consider whether there is a need for new / bespoke P&Ps to be developed to cover all aspects of the services.	The LAC could apply the Council's P&Ps for the workforce, or the LAC could develop new P&Ps tailored for the purpose of the LAC.

### 7.2.2 Acquisition of expertise

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
<b>RAG status</b>			
<b>Acquisition of expertise</b>	<p>The incoming contractor would acquire the existing knowledge and experience of the current workforce via the Transfer of Undertakings (Protection of Employment) (TUPE) transfer of staff.</p> <p>The incoming contractor would be required to provide any additional expertise it may need to fulfil the service requirements, and as most waste collection contractors operate nationally, it is likely to do so from an extensive pool of experts.</p>	<p>The Council would acquire the existing knowledge and experience of the current workforce via the TUPE transfer of staff.</p> <p>The Council would need to recruit additional expertise and / or outsource expert professional advice to transition to a DSO and to design and optimise the waste collection services.</p>	<p>The LAC would acquire the existing knowledge and experience of the current workforce via the TUPE transfer of staff.</p> <p>The Council would need to outsource expert professional advice to set up the LAC, and to draft a bespoke agreement between the Council and the LAC for the provisions of the services.</p> <p>The LAC may need to recruit additional expertise and / or outsource professional support to design and optimise the waste collection services.</p>



### 7.2.3 Deliverability

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
<b>RAG status</b>			
<b>Procurement outcome</b>	<p>The Council should be aware that undertaking a procurement exercise would not guarantee a satisfactory outcome. The waste collection market has contracted due to consolidation and companies exiting the market. The remaining contractors do not have sufficient capacity to bid for all projects, and so they are selective about which projects they pursue. It can therefore be difficult to generate sufficient competition to drive value for money through such a procurement exercise.</p> <p>In addition, a waste collections contract for the District may not be an attractive proposition for the private sector waste contractors. The value of a contract for waste collection services in Derbyshire Dales is quite low, with the current cost of c.£3M per annum – this compares to an average of c.£11M per annum across England. Further, the Council's rurality increases the risks of delivering waste collection services in the District, because travel times during waste collection rounds are high and the risks associated with travel / access are higher</p>	<p>As this option does not involve procuring a complex waste collections contract, the Council will be exposed to substantially less risk associated with an unsuccessful procurement.</p> <p>The Council would need to procure a dry mixed recycling processing provider, which has less risk of failure (provided the Council delivers an 'on-market' procurement).</p> <p>The Council would need to procure vehicle technology such as 360-degree cameras and 'in-cab technology' system with associated Management Information System (MIS). This technology will enable the Council to accurately and efficiently record detailed information regarding the service performance, process this data, and generate reports to assist with managing the service.</p>	<p>As this option does not involve procuring a complex waste collections contract, the Council will be exposed to substantially less risk associated with an unsuccessful procurement.</p> <p>The LAC would need to procure a dry mixed recycling processing provider, which has less risk of failure (provided the LAC delivers an 'on-market' procurement).</p> <p>The LAC would need to procure vehicle technology such as 360-degree cameras and 'in-cab technology' system with associated MIS. This technology will enable the LAC to accurately and efficiently record detailed information regarding the service performance, process this data, and generate reports to assist with managing the service and to submit to the Council.</p>



Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
	(e.g. greater risk of inclement weather causing service disruption, compared to an urban setting).		
<b>Transition</b>	<p>There would be a transition between Serco and the incoming contractor. Serco has obligations under the Waste Collections Contractor to help with the transition to an incoming contractor. Similarly, obligations would be placed upon the incoming contractor to manage the transition and mobilisation period.</p> <p>The Council will need to manage an extensive dataset through a re-procurement, and to support this transition.</p>	<p>The Council would need to identify the legal and practical steps to transition the services from Serco. For the most part, this work would be in the Council's control, and therefore the deliverability risk should be relatively low. However, there would be an interface with Serco during the transition to the DSO, generating risk associated with Serco's level of cooperation.</p>	<p>The Council would need to identify the legal and practical steps to setup the LAC and transition the services from Serco. For the most part, this work would be in the Council's control, and therefore the deliverability risk should be relatively low. However, there would be an interface with Serco during the transition, generating risk associated with Serco's level of cooperation.</p>

#### 7.2.4 Ability to transfer risk

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
<b>RAG status</b>			
<b>Risk transfer</b>	<p>Outsourcing provides the Council with the ability to transfer risk to the contractor, e.g. operational risks.</p> <p>However, contractors may seek variations if their business model is significantly impacted by a risk event occurring – there is an extent</p>	<p>Operating the service via a DSO will inherently prevent the Council from transferring risk. As such, all risks would be owned by the Council.</p>	<p>Operating the service via a LAC will inherently prevent the Council from transferring risk. As such, all risks would be owned by the Council.</p>



Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
	<p>to which the Council may not be isolated from these risks</p> <p>Private sector can accept some risks but not all, depending on their nature – e.g. risks outside of the contractors control.</p>		

### 7.2.5 Cost implications

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
<b>RAG status</b>			
<b>Cost</b>	<p>The cost of delivering the services via outsourcing arrangements will be determined by (<i>inter alia</i>):</p> <ul style="list-style-type: none"> <li>🔴 Waste collection contractor market conditions</li> <li>🔴 the ability to generate competition in the procurement</li> <li>🔴 the commercial positions within the contract</li> <li>🔴 the perceived risks associated with the service</li> <li>🔴 market conditions for labour and fuel</li> <li>🔴 the commodity market for dry recyclables</li> </ul>	<p>The costs of delivering the services via a DSO will be determined by (<i>inter alia</i>):</p> <ul style="list-style-type: none"> <li>🔴 the success of the Council to transition the services and the future management of the services</li> <li>🔴 market conditions for labour and fuel</li> <li>🔴 increased cost of staff pensions due to local authority pension scheme</li> <li>🔴 no corporate profit margin being applied</li> <li>🔴 the commodity market for dry recyclables</li> <li>🔴 foreseen and unforeseen legislative changes</li> </ul> <p>The overall cost of the service is likely to increase, compared with the Serco contract, as a</p>	<p>The costs of delivering the services via a LAC will be determined by (<i>inter alia</i>):</p> <ul style="list-style-type: none"> <li>🔴 the success of the Council to transition the services to the LAC</li> <li>🔴 the success of the LAC in the future management of the services</li> <li>🔴 market conditions for labour and fuel</li> <li>🔴 no corporate profit margin being applied</li> <li>🔴 the commodity market for dry recyclables</li> <li>🔴 foreseen and unforeseen legislative changes</li> </ul> <p>The overall cost of the service is likely to increase, compared with the Serco contract, as a result of the impacts of the Covid-19</p>





Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
	<p>foreseen and unforeseen legislative changes</p> <p>Procuring a new contract represents a 'rebase' of the costs, and the Council should expect the overall costs of the services to increase due to the current market conditions.</p>	<p>result of the impacts of the Covid-19 pandemic on household waste and the increasing cost of labour and fuel.</p>	<p>pandemic on household waste and the increasing cost of labour and fuel.</p>

#### 7.2.6 Flexibility / control

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
RAG status			
Flexibility / control	<p>Outsourcing will provide the opportunity for the Council to revisit its service prior to commencing a procurement (if time is available to do so).</p> <p>However, once a new contractor is appointed, there may be less flexibility for the Council to make changes to the service. The Council would have the ability to vary the contract, but this may incur cost increases and / or erosion of the commercial position for the Council.</p>	<p>Delivering the service via a DSO would provide the Council with the greatest level of flexibility and control over the service. The Council would be able to make changes to the service at its own discretion, without the constraints that can be imposed by a contract.</p>	<p>The Council would be the sole shareholder in the LAC and would exercise control over the company similar to that which it exercises over its own departments. Therefore, this option should offer the Council a greater level of control compared to outsourcing.</p> <p>As there would be a legal agreement in place between the Council and the LAC, there may be some constraints to the Council making changes – although these are likely to be less significant compared to an outsourcing arrangement.</p>



7.2.7 Transition timescales / continuity risk

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
<b>RAG status</b>			
<b>Timescales</b>	It could take approximately two (2) years to procure a new waste collections contract. It will be necessary to have agreed exit-arrangements (to some extent) with Serco prior to publishing a procurement notice, which may further delay the delivery of this option.	It could take approximately twelve (12) months to mobilise the service via a DSO. It may be necessary to have agreed exit-arrangements with Serco for the Waste Collections Contract prior to commencing the DSO mobilisation work.	It could take approximately eighteen (18) months to mobilise the service via a LAC. It may be necessary to have agreed exit-arrangements with Serco for the Waste Collections Contract prior to commencing the LAC mobilisation work.
<b>Procurement risk</b>	In the event that the Council undertakes a procurement exercise and does not achieve a successful outcome, the Council may need to deliver further interim services within short timescales. This could be in the form of extending pre-existing interim arrangements (if relevant) or procuring an interim contract. The potential need for this interim service represents a key risk to the outsourcing approach.	Procurement risk is limited to the processing of dry recycling, and is unlikely to cause delay to the project.	Procurement risk is limited to the processing of dry recycling, and is unlikely to cause delay to the project.
<b>Interim arrangements</b>	There could be a scenario where the Council / Serco exit the current contractual arrangements prior to the Council having a replacement contractor in place. In this instance, the Council may be forced to implement interim arrangements for waste collections, to ensure continuity of waste collection services in the District. The options regarding how this could be achieved will need to be investigated, with procurement regulations and market appetite being two key considerations.		



### 7.2.8 Commodity price risk

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
RAG status			
Commodity price risk (dry recyclables)	The Council may be able to share the risk of changing commodity prices with the contractor, although it is anticipated that the Council would retain the majority of the risk (>60%).	The Council would retain 100% of the risk associated with commodity prices for dry recyclables.	As the LAC is wholly owned by the Council, 100% of the risk associated with commodity prices for dry recyclables would be retained by the Council.

### 7.2.9 Service efficiency

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
RAG status			
Service efficiency	There are many examples of efficient services and inefficient services across all commissioning options. As such, service efficiency is not considered to be sensitive to the commissioning option, but instead is achieved through appropriate service design, implementation, optimisation, and communications.		

### 7.2.10 Current market conditions

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
RAG status			
Waste collection contractor market	Challenging market, with few providers active in the market. Bidders are selective in the projects they bid for, reducing potential for competition.	Not reliant on waste collection contractor market.	Not reliant on waste collection contractor market.



Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
	Bidders are likely to exercise caution and diligence on their assessment of commercial risks / rewards.		
<b>Labour costs, including HGV drivers</b>	An incoming contractor would likely be prudent in their assumptions on future labour costs, to mitigate the risks to its commercial interests in the contract. This may result in risk pricing.	Increasing labour costs, and in particular the recent surge in HGV driver costs due to low supply, will impact on the cost.	Increasing labour costs, and in particular the recent surge in HGV driver costs due to low supply, will impact on the cost.
<b>Fuel</b>	Fuel costs would be indexed annually at a market rate, and so would track (by proxy) the market price.	Fuel costs incurred will directly track the market price.	Fuel costs incurred will directly track the market price.

7.2.11 Assets

Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
<b>RAG status</b>			
<b>Transition</b>	<p>The Council would need to provide interface management in the transition of assets from Serco to the incoming contractor.</p> <p>Following the transition, the incoming contractor would be required to manage the existing Council assets (vehicles, bins, and the Longcliffe depot), and this would be set out in the contract.</p>	<p>The Council would be responsible for the provisions of all assets required for delivery of the services.</p> <p>The primary assets (vehicles, bins, and the Longcliffe depot) are already within the Council's ownership or control, although it would need to manage the transition from Serco to the Council.</p>	<p>The Council would need to make the primary assets (vehicles, bins, Longcliffe depot) available to the LAC.</p> <p>The Council would need to provide interface management in the transition of assets from Serco to the LAC.</p> <p>The LAC would need to procure some additional elements such as a MIS and 'in-cab</p>



Attribute	Option 1: Outsourced	Option 2: DSO	Option 3: LAC
		<p>The Council would need to procure some additional elements such as a MIS and 'in-cab technology' and integrate these with the Council's existing CRM. The Council would also need to put in place appropriate measures to manage and maintain these assets.</p>	<p>technology' and integrate these with the Council's existing CRM. The LAC would also need to put in place appropriate measures to manage and maintain these assets.</p>
<b>Vehicles</b>	<p>The vehicles would either revert to the Council from Serco or could be passed from Serco to the incoming contractor. In either case, the Council would need to inspect the vehicles and maintenance records and check compliance with the exit arrangements in the Waste Collections Contract. The incoming contractor may not be willing to accept risks associated with the vehicle condition and previous maintenance undertaken, and so the Council may not be able to achieve the same level of risk transfer in the new contract.</p>	<p>The vehicles would revert to the Council, from Serco. The Council would need to inspect the vehicles and maintenance records and check compliance with the exit arrangements in the Waste Collections Contract.</p>	<p>The vehicles would revert to the Council, from Serco. The Council would need to inspect the vehicles and maintenance records and check compliance with the exit arrangements in the Waste Collections Contract.</p>



## 8. Option Implementation

The Options under consideration are alternatives to the existing arrangement with Serco. As such, to implement any of these Options, the Council would need to terminate the Waste Collections Contract. This section outlines some key factors relating to termination of the Waste Collections Contract, for the Council's consideration.

### 8.1. Routes to termination

Two possible routes to termination have been identified:

- ❑ Utilising the mechanisms set out in the terms of the Waste Collections Contract to terminate the agreement; and
- ❑ An agreement (outwith the contractual provisions) between the Council and Serco to terminate the Waste Collections Contract on an agreed date.

The Waste Collections Contract provides a mechanism to terminate the contract, but this mechanism can be triggered only in limited circumstances. Should the Council wish to pursue termination then it would need to establish if such rights exist under the terms of the Waste Collections Contract, and it will need to consider how best to approach the termination process – requiring specialist legal, technical, and commercial advice.

It may be possible to agree with Serco an early termination of the Waste Collections Contract. This approach would fall outside of the existing contractual mechanisms, and as such ought to be considered as a 'negotiated exit'. This approach would also require specialist legal, technical, and commercial advice to ensure that any agreement fairly represents the Council's position and costs, alongside ensuring that the service can transition to the new provisions without disruption.

### 8.2. Key factors to consider

There are several key factors which the Council would need to consider, should it pursue termination of the Waste Collections Contract:

- ❑ Serco would continue providing the Services for a period following initiation of the termination process, until such time that the Council has an alternative service provision in place. There is a risk that the performance standards of the services being delivered by Serco could further reduce during this period. The Council may be able to mitigate this risk through careful monitoring of performance, applying the available contractual mechanisms as appropriate, and through constructive discussions with Serco.
- ❑ The transition period to implement a new long-term service provision could be lengthy (12-24 months). During this time, the Council would need to either:
  - continue utilising Serco's services under the Waste Collections Contract; or
  - procure an interim service to cover the period from termination through to commencement of the new service provision (which could be implemented in a shorter period than a long-term solution).



- ❶ The Council is likely to incur additional costs in the short-term, as it invests in the development of a new service provision and manages termination of the Waste Collections Contract. There may be an extent to which these costs can be recovered from Serco, through negotiation or legal action.
- ❷ The workload for Council Officers will increase until such time that a new long-term service provision is mobilised and 'bedded in'. There may be a need for additional resources to be deployed in order to deliver numerous workstreams simultaneously.
- ❸ Specialist support will be required for some key matters, such as the TUPE transfer of staff from Serco to the new service provision, and the transfer of assets such as the Longcliffe depot and the waste collection vehicles.
- ❹ The deployment of an alternative Option will require a new approach to data collection / processing / reporting. This will mean that either the Council or a future contractor will be required to provide such a system, and this system will need to be interfaced with the Council's CRM. Data collection and provision is a key part of waste service provision; the information obtained is used to fulfil the Council's statutory reporting obligations.
- ❺ The scope of the Waste Collections Contract includes services to process dry mixed recycling (blue-lidded bin). The Council will need to procure a new dry mixed recycling processing service to maintain continuity of services. It could take three to six months to procure an alternative service under standard procurement rules, although exemptions from these rules may be applicable.
- ❻ Collection rounds are not currently optimised to the current circumstances. It may be necessary to redesign / optimise the waste collection rounds ahead of / as part of the implementation of the future service provision, which would require the support of a specialist contractor / software.
- ❼ Licences / consents are required to deliver the services (e.g. Vehicle Operators Licence). As Serco is the current holder of these licences / consents, there may be a need to transfer licences or make new applications.



## 9. Partnership arrangements

### 9.1. Introduction

This Commissioning Options Appraisal considers the service delivery methods for the Council and assumes that, at this time, the Council is not seeking to form a partnership arrangement with neighbouring local authorities for the delivery of waste collection services. This is because the Council is faced with many challenges to restore services to the standards expected of the Council, and this is treated as a priority objective. Partnering may bring some opportunity to find efficiencies in the service delivery, but it would also introduce additional complexities.

There are current examples of other UK local authorities partnering to share waste collection services, including Bolsover and North East Derbyshire who partner for the delivery of dry recycling collection and processing.

This section provides some further discussion on partnering, solely for information purposes and so that the Council may consider this option in the future.

### 9.2. Partnering options for the Council

The Council has previously engaged with neighbouring WCAs to discuss the prospect of partnership arrangements. At that time, there was no interest from neighbouring WCAs in forming such a partnership. One of the primary reasons for this was because procurement cycles for each Council were not well aligned, and so a long lead-in period would have been required to implement such a partnership.

As the Council is now considering options which each involve a change to the procurement cycle, this may reduce or remove this constraint, and it is therefore possible that the Council could find an appropriate partner.

The geography of the region means that the District is bordered by four of the nine WCAs in Derbyshire, as well as East Staffordshire District Council and Staffordshire Moorlands District Council. This provides many potential options to explore.

### 9.3. Benefits / disbenefits of Partnering

The most significant benefit of partnering with neighbouring local authorities is that collection rounds can be designed and optimised over a larger area / number of households, which can provide some efficiencies in service delivery. Partnering may also provide new opportunities to access additional sites, e.g. for use as a depot, for waste transfer, or for waste processing.

Partnering can allow local authorities to 'pool' their waste collection services to create a single, larger scope – this could be done to leverage the market by increasing the annual revenue of the contract, and thus making it more commercially attractive to the private sector. The benefits of leveraging the market would be lost in the event the Council opted to deliver the services 'in-house' via Option 2 or Option 3.

Expanding the scope of collection services through partnering may well provide scope for efficiency gains, but it must also be recognised that it would bring additional complexity to arrangements. There would be a greater number of parties required to agree decisions before changes can be implemented, and the parties may not always be aligned on the best course of action.





#### 9.4. Forming a partnership

To form a partnership, the Council will need to discuss and agree the general terms of the partnership with the partnering local authority (or authorities). A legal agreement between the parties will need to be put in place, and the Council would need to seek specialist professional support to deliver this. The agreement will need to set out / allocate responsibilities and how the costs would be shared.

#### 9.5. Partnership summary

Overall, the benefits of the Council forming partnership arrangements are likely to be relatively small, with the best outcome being a small increase in efficiency of the services. In the Council's current context of receiving poor performance in the Waste Collections Contract, the Council's priority objective is to restore the services to the level expected by the Council, and this may be easier to achieve without introducing the complexities of a partnership arrangement.



## 10. Summary / Recommendations

### 10.1. Summary

It is considered that continuing with Serco is likely to represent the 'path of least resistance' for the Council. It may also have the shortest delivery programme of the Options, although this is contingent on Serco's response to the current situation. On balance, utilising Serco and restoring service provision ought to be considered the Council's primary aim.

However, if there is no prospect of successfully restoring the services with Serco then the Council may wish to pursue an alternative Option, of which the Council has three available. Each of the Options has benefits and disbenefits, and none provide a 'golden bullet' solution to the Council's current issues with the waste collection services.

Each option attracts significant risks to its implementation and delivery. The waste collections market is currently a "sellers' market" due to the lack of competition, and the District has attributes which are likely to make the project a high-risk prospect. Bringing the service in-house will require a step-change in the approach taken by the Council to manage waste collections and will create a significant administrative burden compared with an outsourcing approach.

### 10.2. Recommendations

- 📍 The timescales to mobilise and implement the Options is relatively long (12 to 24 months). It is recommended that the Council takes measures to mitigate risks to the project programme and transition by ensuring there is sufficient time within exit arrangements with Serco to allow a new solution to be implemented.
- 📍 It is recommended that the Council considers undertaking a quantitative assessment of the costs for delivering the future waste service, so that it can budget for these provisions accordingly.
- 📍 The Council may wish to reassess the waste collection service design, as there may be changes which can be made to help optimise the service and improve recycling rates in the District.

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COUNCIL - 27<sup>th</sup> April 2022

Report of the Director of Housing

## **GYPSEY AND TRAVELLER SITE UPDATE**

### **PURPOSE OF REPORT**

To update the Council in respect of the work that has been undertaken to bring forward a site at Knabhall Lane, Tansley as both a permanent and temporary Traveller site, to advise of a recently announced Government funding programme for Traveller sites and to determine the Council's future approach.

### **RECOMMENDATION**

1. That Council notes the work undertaken to date and the findings of the geotechnical ground investigations and ecological assessments.
2. That, having regard to the conclusions of the geotechnical and ecology assessments, Members consider ceasing the pursuit of the Knabhall Lane site as a location for a temporary and permanent Traveller site.
3. A further assessment of badger activity on the site is commissioned by the Council.
4. That the £25,000 for surveys at the Knabhall Lane site be removed from the capital programme and that approval is given to a supplementary revenue budget for £15,000 in 2022/23 for the site surveys, financed from the General Reserve.

### **WARDS AFFECTED**

Matlock St Giles

### **STRATEGIC LINK**

The District Council's duties under Planning and Housing legislation underpin its corporate objectives in relation to the whole of the District. The delivery of a permanent traveller site is a specific priority for the Council within its Corporate Plan, under the theme of 'Prosperity: Supporting better homes and jobs for you'

### **1 REPORT**

- 1.1 At full Council on the 27<sup>th</sup> July 2021 approval was granted for an allocation of £25,000 to fund the assessment of the proposed traveler site at Knabhall Lane in Tansley. The assessments included geotechnical and land contamination surveys. As a responsible land owner the Council should be aware of the state of the land in its ownership. The Council's Contract Standing Orders required three quotes to be sought for the work. Whilst three companies were approached, only one tender was returned and RSK was

appointed at the end of October 2021. The cost of the surveys was less than originally anticipated at £11,518.

- 1.2 During the course of preparing the site for the geotechnical and land contamination survey, an outlying badger sett was discovered. This sett was not present when the site was first surveyed by the Council's appointed ecologist. The presence of the outlying sett caused delay and modification of the proposed survey works. This meant that about 30% of the site could not be investigated without causing harm to the badger. Fencing was erected to ensure a suitable exclusion zone around the sett and to protect the routes across the top half of the site used by the badger. Ground investigations took place between 3<sup>rd</sup> and 9<sup>th</sup> December with support from the Council's appointed ecologist. Derbyshire Police received calls about the works and attended on site. The Director of Housing, the Council's appointed ecologist, RSK and their sub-contractors met the Police and local badger group on site and agreed to the fencing off of the top portion of the site around the sett.
- 1.3 Prior to the commencement of the site surveys, low lying vegetation was cut back and several small sheds and structures were removed along with materials left behind on the site. This was necessary to ensure the levels on the site would be clear to RSK and their sub-contractors. There was a delay in clearance works starting due to some residents blocking access to the site, given their concerns about the badger sett.
- 1.4 At all times, the Council, RSK and their sub-contractors acted within the guidance provided by the Council's appointed ecologist. No further contact about the works has been received from Derbyshire Police.
- 1.5 Unfortunately the laboratory results for the soil and gas samples were delayed and the full report was only received at the end of March 2022. Some additional gas monitoring results are still outstanding but this is due to the required sampling period.
- 1.6 The full report provided by RSK is extensive and in summary the main findings are:
  - Made ground was encountered across the site reflecting the history of the site as a landfill site
  - Due to the exclusion zone to protect the badger sett, the full ground investigation could not be completed and this will need to be considered in any future development
  - The contamination levels are relatively low and do not inhibit development although lead and arsenic levels within the made ground may pose a risk to the health of future site users. A remedial capping layer should be placed within any proposed garden areas or soft landscaping or alternatively the soil could be removed.
  - Ground gas monitoring did not indicate the presence of elevated ground gas, however two further rounds of sampling have yet to complete (due to atmospheric conditions) and the recommendations are subject to these final results. RSK recommend that ground gas protection measures should be detailed in a ground gas mitigation design and verification report, which will require approval from the Council prior to confirming the final development design.
  - The depth of the made ground could not be confirmed as the maximum reach of the excavator was exceeded. The deep made ground could not be assessed at the top of the site due to the badger sett. A bigger excavator could not access the site given the size of the lane and the turning area required.
  - The presence of a back filled quarry has significant implications for proposed structures and their foundations, e.g. for day rooms and amenity blocks. The placement of buildings over the quarry site will require alternative foundations e.g. piles, and

further ground investigations. Lightweight temporary structures may be feasible but again further assessment will be required once their design is finalised. The ground in external areas of the site within the footprint of the backfilled quarry may require improvement to facilitate its use as hard standing/caravan pitches to avoid unacceptable settlement issues.

1.7 RSK have made the following recommendations;

- Further intrusive ground investigations to determine the ground conditions and contamination in the north-eastern area of the site i.e. where the badger sett is located
- Confirmation of the lateral and vertical extent of the backfilled quarry
- Additional testing of the top soil where its reuse is proposed on site
- Geotechnical assessment once development proposals/building types have been finalised
- Geotechnical assessment of the quarry highwall issues, where necessary
- Production of a Remediation Method Statement to confirm the specification and validation of the clean capping layer in gardens/soft landscaping
- Production of a ground gas mitigation design and verification report and third party inspection and verification of ground gas membranes installed in new structures

## **2 ECOLOGY**

2.1 The site continues to have an outlying badger sett present and this presents a significant obstacle both to the completion of the ground investigations and the future use of the site. The Council's appointed ecologist has advised that the Council would need to conduct further investigations to determine if the sett has remained an outlying sett or if it has become a main sett. In addition once planning permission was approved, a licence would be required in order to interfere with the sett. To inform the planning process the Council would be required to develop a mitigation strategy. This would be informed by requesting information from the local badger group and undertaking a survey of neighbouring land to assess the links between the sett on the site and other setts nearby.

2.2 The permission of neighbouring land owners would be required to undertake an extended survey of the area which involves bait and latrine marking. Given the strength of local opposition, it is unlikely that permission would be given by adjacent landowners. The most appropriate way forward would be to place trap cameras on site to monitor activity and then review if the sett has remained an outlying set or become a main sett. The presence of several adult badgers and/or cubs would indicate the sett has become a main sett. If the development of the site was to proceed, the sett could be moved, but again given local opposition, this is only likely to happen within the site. This would still impede the overall developable area and place badgers in close contact with any future occupants and any pets they may have. In any event, once planning permission had been achieved, works could only take place between 1<sup>st</sup> July and the end of November.

2.3 During the planning process it is quite likely that those opposed to the development of the site would seek to challenge the Council's efforts to undertake a survey of the badger sett. Without conducting a wider assessment of the clan territory and instead relying on the camera trap information, there is the potential for objections to be raised

which may hinder the Council's ability to secure the necessary licence from Natural England.

### **3 GOVERNMENT FUNDING FOR TRAVELLER SITES**

- 3.1 The government announced a £10m fund for traveller sites on the 20<sup>th</sup> March 2022. Applications close on the 13<sup>th</sup> June 2022. Local authorities in England can bid for capital funding for new or improved accommodation for travellers. The funding is available for the financial year 2022/23 only and it appears that projects must be delivered within the financial year i.e. be shovel ready. The funding is available for new or refurbishment of transit sites, new temporary stopping places, refurbishing existing facilities, new permanent pitch or plot provision, improvements to existing sites, acquisition of land and funding ancillary buildings.
- 3.2 At this stage, the presence of the badger sett, the requirement to only undertake works between July and November and with successful bids informed by August/September 2022, it is highly unlikely that a successful bid could be delivered between September and the end of November. The site still has other constraints which would significantly reduce the likelihood of obtaining grant funding including the lack of a water supply, drainage and electrical supply.
- 3.3 The Council's Development Agent for the Council Housing scheme, Nottingham Community Housing Association are able to support the design process for the Knabhall Lane site or any other opportunity that should arise in the future.

### **4 REMEDIATION AND DEVELOPMENT COST ESTIMATES**

- 4.1 The report by RSK has identified several key recommendations, that would require significant investment in order to complete both the understanding of the ground conditions and the works required in order for the ground to support buildings;
  - Investigate piling and high wall checks - £50,000 - £60,000
  - Further soil sampling up to £5,000
  - Removal and replacement of contaminated soil £66,000
  - Piling foundations £100,000
- 4.2 Given the size of the site, the estimated costs and the number of pitches to be provided, Officers consider that it would not be financially viable to spend such significant amounts of money in preparing the site for development.
- 4.3 The Council's appointed ecologist has recommended further assessment of the badger sett using a camera trap. This is a relatively low cost option at around £1,000. Given the Council's commitment to protecting badgers on its own land, officers recommend that the Council proceeds with the camera trap assessment. The results can be shared with the local badger group, so adding to the local knowledge concerning badger activity in the area.

### **5 CONCLUSION**

- 5.1 The site has several constraints which are difficult to untangle. A further badger survey is required to determine whether the outlying sett has become a main sett. In this regard, it is likely that neighbouring landowners will not consent to assisting with

surveys and/or moving the sett on to their land. This means the badger sett will potentially always remain on the site.

- 5.2 The badger sett has impeded the land contamination and geotechnical survey and it seems likely that without the sett eventually moving, the Council will not be able to complete a full assessment of the entire site. The extent of the ground investigations and piling using heavy machinery close to the sett would disturb the badgers and would be illegal. This places a significant restriction on the site and the ability to provide the number of pitches required to meet identified need. There would also be a significant risk of developing a part of the site without full knowledge of knowing what is in the adjacent ground or how stable it is.
- 5.3 The timetable for government funding makes it very difficult to deliver a realistic bid that can be delivered within the period allowed for the protection of the badger sett, i.e. between the 1<sup>st</sup> July and the end of November.
- 5.4 Given the results of the land contamination and geotechnical surveys, and the complications caused by the badger sett, Officers have concluded the site is not developable at reasonable cost.

## **6 NEXT STEPS**

- 6.1 If Council agrees with the recommendation to stop works concerning the Knabhall Lane site, then attention must return to finding an alternative opportunity. Previous assessments have thrown up very few opportunities, either on land in the Council's control or in private ownership. Nonetheless officers will review again all of the relevant information collected before. Members are also requested to pro-actively assist in the identification of potential sites for consideration.
- 6.2 In relation to Knabhall Lane, if Council approves the camera trap survey then the Council's appointed ecologist will be asked to undertake the survey. The results will be shared with residents and local badger group. The use of the site will be the subject of a future report.

## **7 RISK ASSESSMENT**

### **7.1 Legal**

The continuation of the proposed development of this site is of high risk due to the presence of a badger set on the land. To continue to undertake works or surveys without establishing whether this is a main set could result in a criminal offence. If there is still a wish for this site to be used, then the Council must be sure that there is no disruption to the badger set that would result in a criminal offence.

### **7.2 Financial**

The expenditure on the surveys can be contained within the existing budget. The financial risk is assessed as low.



## **8 OTHER CONSIDERATIONS**

8.1 In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property. (Heading 4)

8.2 Climate change: A CCIA is not considered necessary for this report.

## **9 CONTACT INFORMATION**

9.1 Robert Cogings, Director of Housing

9.2 01629 761354 email [Robert.cogings@derbyshiredales.gov.uk](mailto:Robert.cogings@derbyshiredales.gov.uk)

## **10 BACKGROUND PAPERS**

RSK Report of Knabhall Lane

Council

27 April 2022

Report of Director of Corporate and Customer Services

## **COMMUNITY GOVERNANCE AND POLLING ARRANGEMENT REVIEWS**

### **PURPOSE OF REPORT**

This report proposes that the Council agrees to carry out a number of Community Governance Reviews that will be required as a result of the new warding and parish arrangements proposed by the Local Government Boundary Commission for England and the impact of new housing developments across the district.

It is proposed that at the same time Polling Districts, Polling Places and Polling Stations are reviewed to make sure that they reflect the revised arrangements and the impact of new housing developments.

### **RECOMMENDATION(S)**

1. That authority be delegated to the Director of Corporate and Customer Services to carry out a review of polling districts, polling places and polling stations to make sure they reflect the revised warding arrangements and new residential developments constructed and occupied since the last review.
2. That authority be delegated to the Director of Corporate and Customer Services to carry Community Governance Reviews arising from the Local Government Boundary Commission for England proposals and the impact of new residential developments.
3. That any changes required as a result of these reviews be brought back to Council to consider any proposed changes and any representations received before the arrangements are approved by Members.

### **WARDS AFFECTED**

District-wide

### **STRATEGIC LINK**

Establishing effective arrangements for the delivery of electoral events across the district underpins confidence from the citizens of the Derbyshire Dales in the democratic legitimacy of the Council and other public institutions.

## **1. BACKGROUND**

### **1.1 Local Government Boundary Commission for England (LGBCE) Final Recommendations**

1.1.1 On 11 January 2022 the LGBCE published the final recommendations for new electoral arrangements for Derbyshire Dales District Council. As a consequence from the District Council Elections in May 2023 the District Council will have 34 Councillors made up of 5 three-councillor wards, 3 two councillor wards and 13 one councillor wards. This will result in a reduction of 5 Councillor and 4 fewer wards. Of the remaining 21 wards 3 will retain the same boundaries and 17 will change. Full details of the proposals are appended to this report.

1.1.2 As these are the final recommendations there is no scope for requesting further changes so the Council has commenced planning for the implementation of these recommendations. This will require the authority to conduct a review of polling districts, polling places and polling stations within the District in accordance with the Electoral Administration Act 2006. The last review was carried out in 2019.

1.1.3 This review will address the electoral arrangements for the new warding arrangements for Matlock Town Council but it is also likely to identify areas where polling districts and polling places may need revision to reflect new residential developments.

### **1.2 Parish Council Electoral Arrangements**

1.2.1 The Local Government and Public Involvement in Health Act 2007 devolves the power to take decisions about matters such as the creation of parishes and their electoral arrangements to local government and local communities in England. These powers are exercised through carrying out a Community Governance Review as and when required.

1.2.2 As a result of a review a principal council may create a new parish or change the boundaries of existing parishes to reflect local circumstances. One example is the expansion of communities through new housing developments. These can lead to existing parish boundaries becoming anomalous as new houses are built across the boundaries resulting in people in different parishes from their neighbours.

1.2.3 While the Commission can make changes to the warding arrangements within a Parish it cannot make changes to the existing boundaries of that Parish. Therefore a Community Governance Review may be needed to respond to their recommendations. For example the during their consultation the Commission

received representations suggesting that the Oaker and Snitterton Ward of South Darley Parish Council should be moved into the Matlock Parish to reflect the Commission's proposals for the new Matlock West Ward

- 1.2.4 There is another example in Hlland Ward where new properties in Biggin View and George Rodgers Close are within the Parish of Biggin but as access to the development is from A517 the residents would consider themselves to live in the Parish of Hlland Ward.
- 1.2.5 A final example is in Asbourne where it has been suggested that as the Ashbourne Airfield development is perceived as an extension to Ashbourne, properties in this development should move from the Parish of Bradley into the Parish of Ashbourne.
- 1.2.6 It is proposed that in carrying out this review the Director of Corporate and Customer Services invites Parish Councils to make suggestions of other areas that may warrant a Community Governance Review.

## **2. REPORT**

- 2.1 Broadly, if the Council decide to undertake a CGR, it is for the Council to decide how the CGR will be carried out. There is no formal procedure set down in legislation although local people must be consulted during a CGR, and representations received in connection with the CGR must be taken into account. Those making representations must be informed of the outcomes from the CGR.
- 2.2 This report proposes that the Director of Corporate and Customer Services be authorised to carry out a district wide review of polling districts, polling places and polling stations in accordance with the guidance issued by the Electoral Commission and to carry out Community Governance Reviews in accordance with guidance issued by the LGBCE.
- 2.3 Delegating authority to the Director will mean that consultation can commence consultation on any issues that arise during the course of both reviews without bringing a report to Council or the relevant Committee. Without this delegation there is a risk that these reviews will not be completed before the start of the timetable for the Parish and District Council elections in May 2023. This delegation will only relate to the conduct of both reviews and final decisions arising from the reviews will be made by Council.
- 2.4 Section 93 of the Local Government and Public Involvement in Health Act 2007 allows the District Council to decide how to undertake a community governance review, provided that the council complies with its duties under the Act. In doing so, the Council will need to consult with local people and take account of any representations received in connection with the review. The Council, in any decisions that it takes, will have to have regard to the need to secure that community governance reflects the identities and interests of the community in the area under review, and the need to secure that community governance in that area is effective and convenient.

- 2.5 The Council will be required to consult with local government electors in the area under review, and others which may appear to have an interest in the review. In areas where parish councils already exist, these too should also be consulted. Whoever is consulted and responds, the Council must take into account any representations it receives as part of a community governance review.
- 2.6 The District Council will need to move quickly to undertake and conclude this community governance review in order for any changes to be made in good time ahead of the elections scheduled for May 2023.

### **3. RISK ASSESSMENT**

#### **Legal**

- 3.1 The issues considered in this report are within the powers and functions of the District Council. Such changes may be made by the District Council following the undertaking of a Community Governance Review (CGR). Legislation in the Local Government and Public Involvement in Health Act 2007 sets out the process which a CGR must follow.
- 3.2 Where a CGR is carried out, the legislation requires that the Council has regard to the need to secure that any community governance for the area under review:-
- reflects the identities and interests of the local community in that area; and
  - that it is effective and convenient.
- 3.3 A CGR can be carried out at any time, either as a result of the Council deciding to do so of its own volition, or as a result of a request from a parish council or local residents.
- 3.4 The relevant powers are contained within the body of the report. The legal risk is therefore low.

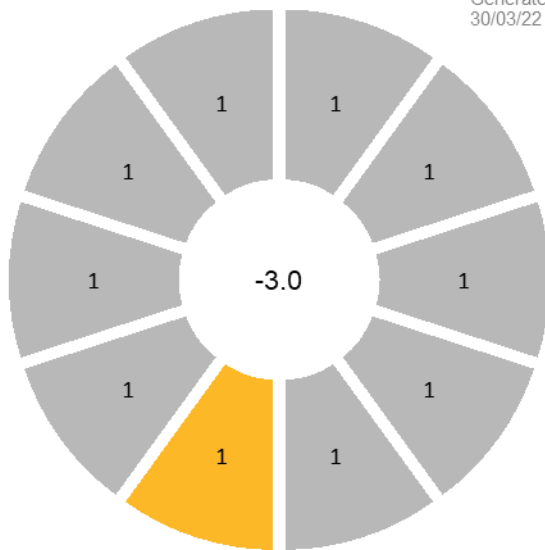
#### **Financial**

- 3.5 There are no significant financial implications as these reviews can be carried out in house and the costs covered by existing budgets.

### **4. OTHER CONSIDERATIONS**

- 4.1 In preparation of this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.
- 4.2 The approved Climate Change Impact Assessment Tool has been completed for this report and is reproduced below...

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DDDC has committed to being a carbon neutral organisation by 2030 (7 years and 9 months away).

## 5. CONTACT INFORMATION

- 5.1 James McLaughlin, Director of Corporate and Customer Services  
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## 6. BACKGROUND PAPERS

- 6.1 None

## 7. ATTACHMENTS

- 7.1 Appendix 1: The Local Government Boundary Commission for England - New electoral arrangements for Derbyshire Dales District Council – Final Recommendations

Council

27 April 2022

Report of Director of Community and Environmental Services

## **LOCAL PROJECTS FUND**

### **PURPOSE OF REPORT**

To review the success of the Local Projects Fund and grants awarded since its inception in October 2015 and consider examples of the projects supported in the 2021/2022 financial year and to review the terms and conditions for the award of funding.

### **RECOMMENDATIONS**

1. That the report be noted.
2. That the Local Projects Fund be continued in the 2022/2023 financial year, with all spend to be committed by December 2022 to avoid the pre-election period in the spring of 2023.
3. That the terms and conditions of the Local Projects Fund detailed at Appendix 3 be approved.
4. That, on this occasion, the underspend on the Local Projects Fund in the 2021/22 financial year be carried forward to contribute to funding for the events and projects in the district associated with the Queen's Platinum Jubilee.

### **WARDS AFFECTED**

District-wide

### **STRATEGIC LINK**

The Local Projects Fund enables councillors to be more proactive in their role as community leaders and, in doing so, supports all of the District Council's aims and objectives.

## **1 BACKGROUND**

- 1.1 The Local Projects Fund was introduced on 1 October 2015 with the aim of enabling all Members to administer a small budget and distribute funds to worthy causes within their ward.
- 1.2 Applications can be made by local groups and individuals that are based within the Derbyshire Dales area providing that they can demonstrate that the funds will be used to benefit the community. Town and Parish Councils are able to apply for this funding for specific projects. Groups and organisations can apply for funding for both revenue (on a one-off basis) and minor capital projects.
- 1.3 The initiative commenced in October 2015 with each Member having a yearly funding allocation of £1,000. This figure was reduced to £900 in the 2017/18 financial year, as a 10% reduction in line with cuts to other revenue grants associated with the District Council.

## **2 REPORT**

- 2.1 At the outset of the COVID-19 pandemic, officers determined that the Local Projects Fund would continue during 2020/21 under delegated emergency powers. At that time an amendment was made to the criteria in order to provide funding to individuals and groups who were actively supporting the community response to COVID-19. The decision at that time was:
  - The funds remain as is, £900 allocation per councillor, with no carry forward of underspends at the end of the financial year
  - Minimum grant of |£100 and a maximum of £1,000
  - Current criteria to remain, but to exclude grants for individuals (except for Coronavirus support work)
  - Bids should be focused on outcomes that benefit the wider community where possible rather than just small sections of communities
  - It should be possible for the same organisation to receive a grant each year, but not guaranteed
  - Emphasis on the District Council being acknowledged in any publicity and coverage of the project as a condition
- 2.2 In 2021/22 the total amount awarded from the Local Projects Fund was £33,588 to 101 local projects benefitting our local communities. Details of the allocations and projects are set out in Appendix 1. The overall allocation of funds represents an underspend of £1,512 in the 2021/22 financial year.
- 2.3 All grant awards are subject to the District Council being recognised in any promotional material. Dales Matters has featured examples of grant awards during 2021/22 and a snapshot of recent grants is provided within Appendix 2, along with photographs and feedback from the beneficiaries of the funding.
- 2.4 The Local Projects Fund remains a popular source of funding for groups and organisations across the district and serves as a lever of community leadership for Members in their wards. Whilst provision has been made in the revenue budget agreed by the Council in March 2022 for the continuation of the fund, it is recommended that



the Council consider formal approval of the continuation of the Local Projects Fund in the 2022/23 financial year.

- 2.5 In recommending that the scheme continue, it is also considered appropriate to introduce a deadline for the allocation of funds by Members because the Council will enter a pre-election period in March 2023. It is therefore recommended that the deadline for the 2022/23 financial year be 31 December 2022 for the timely allocation of funds. This will avoid any issues in respect of publicity well before the purdah period for the elections commences in March 2023.
- 2.6 It is recommended that the terms and conditions associated with the Local Projects Fund in 2022/23 be approved. This document makes clear how decisions will be made and the expectations in respect of probity and transparency. A change has been proposed to clarify what will happen in the event that a Member fails to respond to requests to confirm their views on applications for funding. In the case of single Member wards, where there is failure from a Member to communicate with a group or with the responsible officers at the Council, the matter will be referred to the Community and Environment Committee for determination. This is made clear within the terms and conditions set out in the Local Projects Fund Guidance for Councillors, which is enclosed as Appendix 3.
- 2.7 At its meeting on 23 February 2022, the Community and Environment Committee resolved that any underspend in the Council's Local Projects Fund budget for the 2021/22 financial year be utilised to enhance the Platinum Jubilee Celebrations Fund and be made available to enable Members to encourage and support applications for funding from Parish Meetings across the district. Such awards of funding to Parish Meetings would be made up to a limit of £250 per Platinum Jubilee Celebration event. As this decision represents a change to the Council's budget, it requires the endorsement of the Council and is recommended for adoption.

### **3 RISK ASSESSMENT**

#### Legal

- 3.1 The legal risk associated with this report is assessed as low.

#### Financial

- 3.2 The Council's revenue budget for 2021/22 included £35,100 for the award of monies from the Local Projects Fund. A total of £33,588 was awarded in 2021/22, resulting in an underspend of £1,512. As indicated earlier in this report, it was recommended by the Community and Environment Committee that an exception should be made to the usual policy and for the Council to approve the carry forward of the underspend of

£1,512 to the 2022/23 financial year to be utilised for the Queen's Platinum Jubilee funding.

3.3 The financial risk is assessed as low.

#### **4 OTHER CONSIDERATIONS**

4.1 In preparing this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

#### **5 CONTACT INFORMATION**

5.1 Emma Mortimer, Community Development Officer, 01629 761392 or [localprojects.fund@derbyshiredales.gov.uk](mailto:localprojects.fund@derbyshiredales.gov.uk)

#### **6 BACKGROUND PAPERS**

6.1 None

#### **7 ATTACHMENTS**

7.1 Appendix 1 – Schedule of Grants awarded by Members during 2021/22

7.2 Appendix 2 – Examples and Case Studies of projects funded through the Local Projects Fund

7.3 Appendix 3 – Local Projects Fund Guidance for Councillors

## Local Project Fund 2021/22 Appendix 1

Organisation	Project	Amount
<b>Ashbourne North &amp; South</b>		
Aztecs Junior Football Club	Kit and equipment	£250.00
Ashbourne Soapbox Race	Run the soapbox race	£500.00
Ashbourne Cricket Club	Storage container	£475.00
Ashbourne Royal British Legion	Ceremonial equipment	£800.00
Royal Shrovetide Committee	Stage the match	£1,000.00
Ashbourne U3A	Choir sheet music	£175.00
Ashbourne Rugby Club	Training equipment	£400.00
<b>Bakewell</b>		
The Medway Centre	Gardening tools	£450.00
Bakewell Town Council	Speed watch kit	£450.00
Ashford in the Water Parish Council	Speed watch kit	£350.00
Over Haddon PC	Seating & Information board	£400.00
Bakewell Rainbows	Equipment for activities	£400.00
EMH care & Support	Outdoor clothing	£100.00
Peak District Scouts	Computer kit	£135.00
Derwent junior football league	Event	£150.00
<b>Bradwell</b>		
Derwent junior football league	Event	£50.00
Peak District Scouts	Computer kit	£68.00
Hucklow Parish Council	Clean up	£480.00
Bradwell War Memorial Hall	Repairs to hall	£302.00
<b>Brailsford</b>		
Brailsford Parish Council	Notice boars	£150.00
Hollington Parish Council	Refurbish BT box	£100.00
Longford Parish Council	Service of defibrillator	£150.00
Brailsford Parish Council	Additional notice board	£150.00
Longford Parish Council	Sand bags	£150.00
Brailsford, Osmaston & Shirley Scouts	Sports equipment	£55.00
Hollington Parish Council	Grit bins	£145.00
<b>Calver</b>		
Derwent Valley Junior football league	Event	£50.00
Curbar Parish Council	Christmas lights	£250.00
Calver Parish Council	Christmas lights	£500.00
Peak District Scouts	Computer kit	£50.00
<b>Carsington</b>		
Wheleyboat Trust	Disability boat	£300.00
Community Fayre	Newsletter	£100.00
St Michaels & All Angels Church Kniveton	Roof repairs	£500.00
<b>Chatsworth</b>		
Baslow WI	Food trolley	£129.00
Derwent valley junior football league	Event	£50.00
Baslow History Group	History of Baslow booklet	£200.00
Baslow & Longstone junior football club	Training equipment	£100.00
Cavendish village hall	Catering equipment	£107.00
St Anne's Church	Biodiversity project	£314.00
<b>Clifton &amp; Bradley</b>		

Osmaston Polo Ground	Contribution to new pavilion	£700.00
Clifton Cricket Club	Equipment	£200.00
<b>Darley Dale</b>		
Derwent Valley Junior football league	Event	£100.00
6th Matlock Scout	New boiler	£600.00
Derbyshire Fed for Mental Health	Courses	£50.00
Darley Dale Pre School	Children's furniture	£500.00
Darley Dale Scouts	Fridge & bush craft activities	£325.00
Highfield PTFA	Support for bereaved children	£125.00
Memory Lane	Entertainment for Dementia support group	£600.00
St Helen's Church	Defibrillator	£250.00
EMH care & Support	Fitness training	£50.00
<b>Dovedale &amp; Parwich</b>		
St Thomas Church Biggin	Bird & bat boxes and planting	£300.00
Hartington Community Group	Holiday activities	£100.00
Fenny Bentley Parish Council	Entrance gates	£300.00
Mappleton Parish Council	Notice board	£200.00
<b>Doveridge &amp; Sudbury</b>		
Ashbourne Community Transport	Community bus to Ashbourne	£208.00
Doveridge PTA	PTA trip	£600.00
<b>Hartington &amp; Taddington</b>		
Hartington Community Group	Holiday activities	£200.00
Taddington Parish Council	Signs & wildflower seeds	£250.00
Hartington Community Group	Parish newsletter	£450.00
<b>Hathersage &amp; Eyam</b>		
Grindleford Community Shop	Signs	£137.00
Grindleford & Eyam play group	A thankyou for workers	£126.00
Hathersage Cricket Club	Pitch equipment	£350.00
Friends of Grindleford School	Gardening tools	£150.00
Big Red Telephone Box Group	Restore phone box	£337.00
Hathersage Parish Council	Bike rack	£200.00
Peak Time Kids Club	Play equipment	£200.00
Abney & District Community Association	Village hall improvements	£250.00
Derwent Valley Junior football league	Event	£50.00
<b>Hulland</b>		
Hulland Ward	Memorial bench	£450.00
Kirk Ireton Parish Council	Tree planting	£450.00
<b>Lathkill &amp; Bradford</b>		
Youlgrave Parish Council	Speed watch kit	£360.00
Youlgrave History Society	History publication	£240.00
Monyash Parish Council	Safety Mirror	£300.00
<b>Litton &amp; Longstone</b>		
Derwent Valley Junior football league	Event	£50.00
Baslow & Longstone junior football club	Training equipment	£100.00
Litton Parish Council	Play area improvements	£450.00
Great Longstone preschool	Outdoor play area	£300.00
<b>Masson</b>		
River Network Charity	Food bank & Youth group	£200.00
Tough Enough to Care	Awareness raising	£250.00
Friends of Cromford Canal	New strimmer	£300.00
Community Fayre	Newsletter	£200.00

Wirksworth Running Club	Training	£250.00
EMH Care & Support	Fitness training	£100.00
Matlock Bath Development Association	Green man trail	£100.00
<b>Matlock All Saints</b>		
Derwent Valley Junior football league	Event	£150.00
Derbyshire Fed for Mental Health	Courses	£150.00
Highfield School Association	Football equipment	£300.00
River Network Charity	Food bank & Youth group	£195.00
EMH Care & Support	Outdoor clothing	£300.00
Tough Enough to Care	Awareness raising	£140.00
Limelight Friendship Group	Activities for members	£160.00
Matlock Town FC	Christmas lunch for those on their own	£300.00
Matlock Town junior girls	Football equipment	£100.00
Highfield PTFA	Support bereaved children	£425.00
All Saints PCC	New flooring for hall	£245.00
EMH Carer & Support	Fitness training	£95.00
Matlock Boys Brigade & Girls Association	Venue hire & volley balls	£70.00
<b>Matlock St Giles</b>		
Derbyshire Fed for Mental Health	Courses	£150.00
Highfield School Association	Equipment for football pitch	£300.00
Tough Enough to Care	Awareness raising	£60.00
EMH care & Support	Outdoor clothing	£100.00
River Network Charity	Youth activities	£500.00
Limelight Friendship Group	Activities for members	£100.00
Matlock Town FC	Christmas lunch for those on their own	£200.00
Highfield PTFA	Support for bereaved children	£450.00
All saint PCC	New floor for hall	£340.00
Matlock Boys Brigade & Girls Association	Venue hire & volley balls	£250.00
Matlock Town junior girls	Football equipment	£250.00
<b>Norbury</b>		
Marston Montgomery Parish Council	Signs	£100.00
Marston Montgomery Parish Council	Well pump	£250.00
Rodsley & Yeaaveley parish Council	Covid celebration	£150.00
Boylestone Ladies Group	Planter	£100.00
<b>Stanton</b>		
Stanton Parish Council	Defibrillator	£250.00
EMH Care & Support	Activities for Clients	£115.00
Derbyshire Swift Conservation	Installation of Swift boxes	£300.00
<b>Tideswell</b>		
Derwent Valley Junior football league	Event	£50.00
Tideswell & District Environmental Group	Climate pathfinder group & Repair café	£450.00
St John's Church	Wifi for community use	£400.00
<b>Winstar</b>		
Winstar & Elton Luncheon Club	Transport	£300.00
St Mary's Church	Refreshments for elderly social club	£300.00
South Darley Parish Council	Defibrillator	£300.00
<b>Wirksworth</b>		
Wilder Wirksworth	Equipment for nature workshop	£372.00
Wirksworth Community Orchestra	Covid prevention measures	£450.00
Wirksworth Growers	Tools	£249.00
Wirksworth Community Response Group	Run helpline	£498.00

Wirksworth Care Centre	Benches	£300.00
Church Together Wirksworth & District	Event	£375.00
Tough Enough to care	Awareness raising	£150.00
Middleton by Wirksworth Parish Council	Speed watch signs	£136.40
Community Fayre	Newsletter	£169.60
<b>Total</b>		<b>£33,588.00</b>

## Local Project Fund Committee Report Appendix 2

These six examples are just some of the 101 wide ranging projects and activities that the Local Project Fund has funded in 2021/22.

### Ashbourne Aztec Junior Football Club

The Club have now been able to provide an extra set of mobile goals for their junior teams to train. There are several teams with a total of 275 players who will benefit from the new equipment which can be used all year round.



### Baslow History Group

The group have produced a professional publication of “Baslow Through the Ages” The 250 copies were distributed to libraries, Derbyshire Archive and the rest sold to the public. The small profit made has been reinvested in the group in attracting external speakers. As a result of the publication there has been an increase in the membership



### **Ashbourne Royal British Legion**

The Ashbourne Branch were able to replace ceremonial equipment, which dates from 1971 and was in a poor state. This included the standard and standard bearer regalia to a nationally recognised standard.

The Remembrance parade draws 700 people on the parade and is watched by another 2000 bystanders.



### **Tideswell and District Environment Group**

The Environment group used the funds for a zoom licence for a Climate Pathfinders Youth Forum which enabled young people to meet virtually and plan environmental actions at both local and national level. There are 15 young people ages 11yr to 20yrs who have taken part in building built bug hotels, set up a tree planting group, monitoring the health of the brook and guest speakers to learn more about climate change and other environment issues.

They also used some of the money to start a Repair café, due to open April 2022.





### **Big Red Telephone Group – Grindelford**

The Parish Council adopted the BT phone box and a group formed to organise to restore the box and develop it into an information hub, book swap and promotion of village groups and the shop. The box will be opened on 5<sup>th</sup> June as part of the village Jubilee celebrations



### **Wirksworth Community Orchestra**

The Orchestra used the funding to enable them to rehearse and minimise the Covid risk, using an alternative venues such as a marquee in the summer months and larger venue in the winter. It also funded more sheet music so they could rehearse in smaller groups.



# Local Projects Fund Guidance for Councillors

## Introduction

- The District Council's Local Projects Fund enables Derbyshire Dales District Councillors to support community led initiatives, in the area they represent.
- Each year £900 is allocated to each Councillor to grant aid to projects or initiatives in their Ward that will benefit the local communities and be valuable to the area.
- The Fund provides for a wide degree of flexibility and can be used to support one off projects, ongoing activities and the development of sustainable longer term projects.
- **Who can apply?**
- Applications can be made by local groups that are based within the Derbyshire Dales area providing they can demonstrate community benefit. For example:-
- Parish/Town Councils (for specific projects only)
- Young people's groups
- Locally based charities
- Benevolent societies

## Exclusions

Organisations that are **not** eligible to apply include:

- Political parties and organisations with political aims
- Any organisation that raises funds for national distribution
- Single issue pressure groups
- Any group formed to oppose any proposed or likely District Council policy
- Other public sector bodies that deliver core services
- Individuals

## What types of projects / initiatives are covered by the Fund?

- Groups and organisations can apply for funding for both revenue (one-off) and minor capital projects.
- Revenue grants should generally be used to support short term project related costs such as equipment, transport, advertising, goods and materials.
- It is expected that the grants will benefit a wide range of groups/activities.
- Bids should be focussed on outcomes that benefit the wider community where possible, rather than just small sections of communities.
- The Fund may be used to facilitate match funding from other organisations although match funding is not a requirement.
- Examples of previous grant aid has included funding towards village hall improvements, sports equipment & kit, staging events, activities for the elderly & isolated, arts projects, environmental & heritage projects and youth based activities.

## Terms and Conditions

Derbyshire Dales District Council retains the right to reclaim, at any time, all or part of the awarded money which was not spent for the purpose it was awarded. Any grant awarded is subject to:

- The availability of funds within the respective Councillor's Local Projects Fund allocation

- It being used for the benefit of residents of the Derbyshire Dales and particularly the residents of the Councillor's electoral Ward;
- It being used for the specific purpose for which it was requested and granted;
- It being spent within the financial year the grant was awarded. Any request to vary this condition will need to be submitted in writing and agreed by the Director of Resources
- Derbyshire Dales District Council being publicly recognised in any and all publicity regarding the Local Projects project organised by the District Council or applicant
- It being recorded in any records or accounts which will be made available for inspection by the Council if required
- An acknowledgement that the grant award is a one off and does not imply a commitment to any future funding. It should be possible for the same organisation to receive a grant each year, but not guaranteed. Repeat requests within the same financial year will not be considered.
- The applicant providing an End of Grant report to the District Council on how the money has been spent and what outcomes were achieved
- Applicants are also asked to note that the District Council is not able to undertake feasibility work to assess the merits of an initiative/project, nor to assist applicants in making their bid beyond advising on the application process.
- Please note that there are no rights of appeal against decisions.

### **The process**

- The Community Development Officer administers the Fund including providing advice, processing the applications and monitoring budgets.
- As a guide, the process from receipt of the grant application to a payment being processed will normally take 2 weeks.

### **Application stage**

- Application forms are available on line on the District Council's website <http://www.derbyshiredales.gov.uk/community-a-living/funding-and-grants/local-projects-fund>, from the Community & Environmental Services Department, email [localprojects.fund@derbyshiredales.gov.uk](mailto:localprojects.fund@derbyshiredales.gov.uk) or telephone 01629 761392
- Completed application forms should be returned on line, via the [localprojects.fund@derbyshiredales.gov.uk](mailto:localprojects.fund@derbyshiredales.gov.uk) email address or by hand or mail to Local Projects Fund, Community & Environmental Services Department, Derbyshire Dales District Council, Town Hall, Matlock DE4 3NN.

### **Receipt of applications**

- The Community Development Officer will acknowledge and register each application and check that there is evidence of community benefit and that other terms and conditions are met, prior to forwarding to the relevant Councillor(s) for consideration along with details of remaining funds.

### **Decision-making**

- The Councillor must be satisfied that they have sufficient information to endorse an application– either individually or collectively (depending on if a multi seat Ward) on whether to grant aid and to what level.
- It is for each Councillor to endorse applications and the amount they consider appropriate to allocate, providing that the application meets the Fund's Terms and Conditions and that they have sufficient funds.

- The minimum grant payable is £100 and the maximum grant payable is £1,000, which can only be achieved for multi seat Wards or where an application spans across more than one Ward.
- Councillors should respond to the Community Development Officer at [localprojects.fund@derbyshiredales.gov.uk](mailto:localprojects.fund@derbyshiredales.gov.uk) advising of the level of grant aid or reason for refusal and copy in other Councillors where applicable. Responses must be sent via email to ensure an audit trail of the decision making process.
- To co-ordinate responses and make timely decisions, Councillors should aim to respond to the Community Development Officer within 5 working days.
- Where a Councillor fails to respond to an officer or organisation to confirm their endorsement of an application, the responsible officer will approach other Ward Member(s) to endorse the request for funding. In the case of a single Member ward, and the absence of any alternative Member to provide endorsement, the applications will be referred to the Community and Environment Committee for determination.

### **Interests and suspension of Fund**

- When deciding whether or not to recommend a grant for approval, Councillors must give due regard to the public sector equality duty and adhere to the principles of the Derbyshire Dales District Council's Code of Conduct. Councillors are specifically excluded from recommending a grant award if s/he has a Pecuniary Interest in the matter. In such circumstances an applicant may be referred to another Councillor for consideration. If the application is approved, the expenditure will be drawn from the budget of the Councillor to whom the application was first directed, subject to a maximum limit specified by that Councillor.
- Determination of applications will be suspended during the election period before the District Council and UK Parliamentary elections. This is to ensure impartiality. Councillors will be informed when these restrictions apply.

### **Sense Check**

- Once the Community Development Officer is in receipt of all responses, the application and Councillor response(s) will be forwarded to the Director of Resources to sense check.

### **Decision**

- An email with the decision will be sent to the applicant and copied in to the relevant Councillor(s) and the Communications & Marketing Team.

### **Payment**

- The grant award will be paid by BACS directly to the organisation. A remittance advice will be sent to the organisation.

### **Impact & Feedback**

- Applicants will be sent an End of Grant form with the decision with a request to complete and return within 2 months or as such time as is timely within the project timescales.

### **Promotion and Reporting**

- The District Council must be acknowledged as the grant giver in all circumstances and individual Councillors must not use the Fund to promote themselves or to increase their personal profile.
- Beneficiaries of the Fund will be required to report to the District Council on how their Local Project has benefitted from the grant aid. An Annual Report will be submitted to Council, listing beneficiaries and citing examples of impact.

### **Audit**

- The Fund will be subject to scrutiny in the same way as any other District Council budget would be. All application forms and correspondence must be retained for a period of 6 years.

It is therefore important that all Councillors pass on to the Community Development Officer any correspondence they made hold in relation to the Fund for proper retention and reference by either internal or external audit.

- Details of grants awarded will be recorded and published in accordance with Access to Information requirements.

For further information email [localprojects.fund@derbyshiredales.gov.uk](mailto:localprojects.fund@derbyshiredales.gov.uk), telephone 01629 761392, Community Development Officer, Community & Environmental Services, Derbyshire Dales District Council, Town Hall, Matlock, DE4 3NN

Printed and published by Derbyshire Dales District Council, Town Hall, Matlock, Derbyshire, DE4 3NN  
Tel: 01629 761100 [derbyshiredales.gov.uk](http://derbyshiredales.gov.uk)

*Revised 19 April 2022*

Council  
27 April 2022

Report of Director of Corporate and Customer Services

## **REVIEW OF MEMBERS' ALLOWANCES SCHEME**

### **PURPOSE OF REPORT**

To consider the arrangements for a review of the Members' Allowances Scheme.

### **RECOMMENDATION(S)**

1. That authority be delegated to the Director of Corporate and Customer Services to commence a review of the Members' Allowances scheme in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003
2. That Dr Declan Hall of DLG Research and Consultancy be appointed to carry out the review and be appointed as Chair of the Council's Independent Remuneration Panel (IRP) for a period of 12 months ending in May 2023.
3. That Mr David Willis be reappointed serve on the IRP for a further 4 years ending in May 2026.
4. That authority be delegated to the Director of Corporate and Customer Services to recruit and select replacement Panel Members when future vacancies arise and the make a recommendation to the Council to fill these vacancies

### **WARDS AFFECTED**

District-wide

### **STRATEGIC LINK**

People' – Providing You with a High Quality Customer Experience

#### **1. BACKGROUND**

##### **Local Authorities (Members' Allowances) (England) Regulations 2003**

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require the Council to have a scheme for the payment of Members Allowances.

- 1.2 To meet the requirements of the Regulations the Council must approve a scheme which provides for the payment of a basic allowance to each member of that authority. The basic allowance (BA) must be the same for every member of the authority.
- 1.3 The Regulations state that the Council may also provide for the payment of special responsibility allowances (SRAs) to such members as have special or additional responsibilities. The specified categories of special or additional responsibilities which may be included in a scheme of allowances include:
- i) acting as leader or deputy leader of a political group within the authority;
  - ii) acting as a member of an executive where the authority is operating executive arrangements within the meaning of part 2 of the Local Government Act 2000;
  - ii) presiding at meetings of a committee or sub-committee of the authority;
  - iv) representing the authority at meetings of or arranged by any other body;
  - v) acting as a member of a committee or sub-committee of the authority which meets with exceptional frequency or for exceptionally long periods;
  - vi) acting as the spokesperson of a political group on a committee or sub-committee of the authority; and
  - vii) carrying out such other activities in relation to the discharge of the authority's functions as require of the member an amount of time and effort equal to or greater than would be required of him or her by any of the above-mentioned activities.
- 1.4 SRAs do not need to be the same and may reflect the different expectations, time and effort involved in particular roles.
- 1.5 Member allowance schemes may also provide for the payment of a carers' allowance and also for members' travelling and subsistence whilst acting in connection with their duties as a member of the authority.
- 1.6 Before a relevant authority may make or amend a scheme of allowances it must have regard to recommendations made in relation to the scheme by an Independent Remuneration Panel (IRP). While the Council must have regard to recommendations made by an IRP it does not necessarily have to approve them.

### **Report of the Independent Remuneration Panel**

- 1.7 The last full review of the scheme was considered by the Council in January 2016 with a further minor review in April 2017. The Council has not received any further report from the Panel since then.

- 1.8 In approving the scheme in 2016 the Council agreed that an annual adjustment would be made to the Basic and Special Responsibility Allowances in line with any annual cost of living increases given to Council employees. These adjustments have been made annually however, the Regulations provide that any index should only apply for a maximum of 4 years before its application is reviewed.
- 1.9 This review should have taken place in 2020 and while the Panel did start work on a review it was not completed due to the impact of the pandemic on resources and subsequently as a result the staff involved leaving the Council and the resignation of the Chair of the IRP.

## **2. REPORT**

- 2.1 This proposes that the Director of Corporate and Customer Services be given the Authority to commence a review of the Council's Members' Allowances Scheme, however there are a number of issues that need to be agreed by the Council before it can commence.

### **Membership of the Panel**

- 2.2 Based on previous decisions made by the Council, Susan Whitfield is appointed to the Panel until October 2023, However, David Willis was appointed until May 2021 and the former Chair, Phillip Woodward, resigned from the IRP during 2021.
- 2.3 Therefore before a review can be progressed the Council must make decisions on the composition of the Panel.

### **Support to the Panel**

- 2.4 Previous IRP reports suggest that the current scheme is based on comparative data and principles that are now over 7 years old. It is therefore suggested that more up to date comparative information is needed to support the Panel in carrying out its review. The former Chair of the Panel came with a wealth of local government knowledge and experience that was invaluable in assisting other Panel Members in their deliberations.
- 2.5 In light of this it is proposed that for the forthcoming review the Council procures this support from outside of the Council. Initial enquiries suggest that this will cost approximately £3,300. This will include preparing for meetings of the IRP by obtaining comparative data and research, attending meetings of the IRP and Council and writing up the findings.
- 2.6 Consideration has been given to whether this support can be provided in house but it is not believed that we currently have the capacity to achieve this within existing resources. It is also believed that obtaining external advice will ensure that the Panel is completely independent.



- 2.7 One of the options explored with potential providers is whether the person appointed to carry out this could be also be appointed as Chair of the Panel. This model has been adopted in other Councils and has worked well. As the time commitment would be exactly the same for the reviewer there would be no additional costs incurred through adopting this approach

### **Proposals**

- 2.8 It light of this it is proposed that:

- Mr David Willis be reappointed to the IRP for a further 4 years ending in May 2026
- Dr Declan Hall of DLG Research and consultancy be appointed to carry out the review and appointed as Chair of the Council's IRP for a period of 12 months ending in May 2023.
- Should further vacancies arise, the Director of Corporate and Customer Services be given delegated Authority, in consultation with the Chair of Governance and Resources Committee, to recruit and select replacement Panel Members with a view to making recommendations to a meeting of the Council to fill these vacancies.

- 2.7 It is suggested that Dr Hall of DLG Research is appointed to the role of Chairman and to carry out this review as he comes with a wealth of experience of the operation Members Allowances Schemes and IRPs and has previous experience in working with other authorities locally which will assist in obtaining comparative data and statistics.

## **3. RISK ASSESSMENT**

### **3.1 Legal**

The scheme of Member's Allowances is made in accordance with section 99 of the Local Government Act 2000 and the Local Authority (Members Allowances) (England) Regulations 2003. The proposals contained in this report comply with the requirements of the legislation so the legal risk is low.

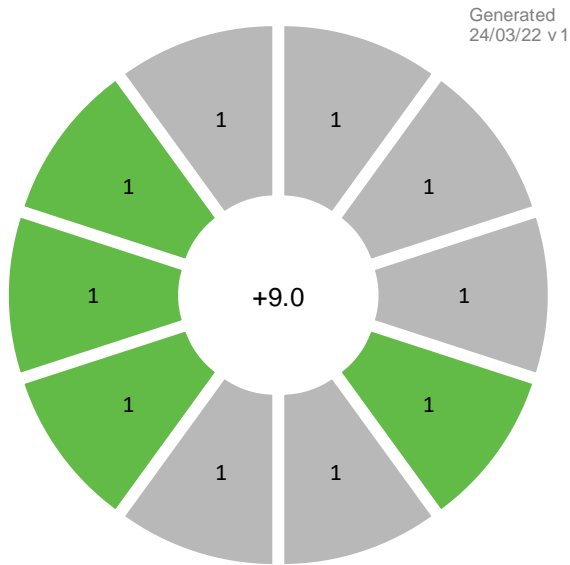
### **3.2 Financial**

The cost of appointing DLG Research and convening meetings of the Panel can be met from exiting budgets. Therefore, the financial risk is low.

## **4. OTHER CONSIDERATIONS**

- 4.1 In preparation of this report, the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

4.2 The approved Climate Change Impact Assessment Tool has been completed for this report and is reproduced below:



DDDC has committed to being a carbon neutral organisation by 2030 (7 years and 9 months away).

4.3 The Panel will be asked to give consideration on the extent to which the scheme can be used to incentivise the use of greener forms of travel and subsistence.

## 5. CONTACT INFORMATION

5.1 James McLaughlin, Director of Corporate and Customer Services  
Tel: 01629 761281  
Email: [james.mclaughlin@derbyshiredales.gov.uk](mailto:james.mclaughlin@derbyshiredales.gov.uk)

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## 6. BACKGROUND PAPERS

6.1 None

## 7. ATTACHMENTS

7.1 None