

Request to call-in the decision on Recycling Credits Revisions to Recycling Credit Payments ENV11 18.19

We are extremely concerned about the Decision by the Cabinet Member for the Environment, that sets out to change the system for recycling credits, which amounts to a very significant cut to the payments to district and borough councils for recycling. The credits scheme has been in place for some years and has helped district and borough councils afford, and improve, its recycling services. Across the county, the scheme has contributed to a rise in recycling rates.

The payments made to Districts and Boroughs are based upon a combination of

- 1) The receipts from the sale of recycled material
- 2) Recycling Credit Payments correctly utilising the net disposal cost formula given that the net disposal cost is known and has been applied in calculating recycling credit payments for over 10 years.

The change being made by the Cabinet Member's decision is for West Sussex County Council, with effect from April 1st 2019, to:

- 1) Retain all of the receipts from the sale of recycled material
- 2) Utilise the national minimum standard as the basis for calculating the national Recycling Credit Payments (this being £61.12 per tonne in 2019/20) compared to the current calculation of £67.46 per tonne (current year)

These changes are being made despite the current Memorandum of Understanding between the County Council and all District and Borough Council's which has been entered into in good faith and adopted by all District & Borough Council's until the end of the financial year 2019/20.

The County Council claim that this would incentivise Districts and Borough Council's to improve recycling performance, which in turn saves WSCC money in waste disposal.

In our view, the proposals are unjust and ill-conceived because:

- 1) They do not honour the Memorandum of Understanding which has been entered into in good faith by all District and Borough Council's and in many regards has formed the basis upon which collection authorities have developed their approach to refuse and recycling collection within their local authority area

- 2) They do not honour or reflect the agreed waste hierarchy of reduce, reuse, recycle. This agreed hierarchy would suggest any changes to the payment mechanism should incentivise collection authorities to reduce refuse (kg per person or per household) over and above increasing the proportion of recycling relative to refuse. Reducing refuse at source would financially benefit the County Council, however the incentives suggested place greater emphasis on increasing recycling.
- 3) They take no account of the long lead in times required to make any changes to collection methods, particularly in districts and boroughs where the service is delivered by a third party contractor.
- 4) They incorrectly apply the statutory minimum payment which should only be utilised where the actual net disposal cost cannot be calculated. As the net disposal cost has been calculated and applied for over 10 years, it is this formula which should be used if the Environmental Protection Act guidelines are to be applied correctly. On this basis, there may well be a case that the WSCC proposal does not correctly apply the 2006 regulations and could be open to challenge, and this needs further member scrutiny.
- 5) It would appear that the calculation of tonnage incorrectly omits some materials and therefore the calculation is wrong and undervalues the recycling credit as per the 2006 Environmental Protection Act regulations.
- 6) They unfairly and disproportionately impact upon more urban authorities where it is widely recognised that recycling rates are lower (from a combination of smaller gardens and from commonly lower recycling rates seen from residents in communal blocks).

Furthermore, for example in Crawley the average base council household banding is C compared to the average base in other local areas. This means it is much more difficult for Crawley Borough Council to charge residents more for recycling services compared to some other District and Borough Councils. In addition, Crawley is a challenging environment for recycling due to its higher number of multi-occupancy residences, flats and apartments. Other Districts and Boroughs in West Sussex may also struggle, for similar reasons.

While the background report to the decision refers to "Consultation", it is evident from that same report that there has been a total failure by the county council to take notice of the responses it received from councils, including no real member involvement, either at portfolio holder level or with county councillors.

While discussions may have taken place at Chief Executive level, and at Head of Service level, the county council's plans have been met with solid objections throughout that dialogue. So it is not good enough for the

county council to respond that all parties have been told and are apparently expecting that the proposal will be implemented.

The response from the county council has been wholly unsatisfactory and has been little more than responding that the District and Borough officers are ignorant to these complexities, the county council has not been engaging and did not appear to be interested in the views of collection local authorities

Whilst WSCC need to make savings and we accept their financial challenges, this council must do things correctly and not rail road things through, which this decision would do.

Across West Sussex, the loss to the collection authorities in 2019/20 will amount to £1.2m.

The call-in request is made because the issue has not been scrutinised by the Select Committee, and the decision does not provide sufficient evidence to demonstrate that our concerns, and those of the Districts and Boroughs who the county council are supposed to be working in partnership, have been fully addressed, or indeed even initially listened to in any way.

The decision also does not clarify whether the county council's interpretation of the legislation is being correctly applied, and for the reasons set out above, there is significant doubt that it has been accurately applied, and that a call in would help clarify and confirm to members whether the Environmental Protection Act regulations have been applied correctly.

If implemented, we are concerned that this change will lead to a reduction in recycling rates in Crawley and other areas of West Sussex, so this matter should receive proper scrutiny by the Select Committee.

This call in request is supported by the following members:

Chris Oxlade (leading the call in),
Sue Mullins,
Brenda Smith,
Brian Quinn,
Dan Purchase,
James Walsh,
Kate O'Kelly.