

# NEIGHBOURHOOD SERVICES COMMITTEE AGENDA



**Monday 23 November 2015**

**at 10.00 am**

**in Committee Room B, Civic Centre, Hartlepool**

**MEMBERS: NEIGHBOURHOOD SERVICES COMMITTEE**

Councillors Ainslie, Barclay, Gibbon, Jackson, James, Loynes and Robinson

**1. APOLOGIES FOR ABSENCE**

**2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS**

**3. MINUTES**

- 3.1 To receive the Minutes and Decision Record of the meeting held on 26 October 2015 (*previously circulated*).

**4. BUDGET AND POLICY FRAMEWORK**

No items.

**5. KEY DECISIONS**

- 5.1 Tees Valley Local Standards for Sustainable Drainage – *Assistant Director, Neighbourhoods*



**6. OTHER ITEMS REQUIRING DECISION**

6.1 Grass Verge Policy – *Assistant Director, Neighbourhoods*

6.2 Recycling – Assistant Director, Neighbourhoods

**7. ITEMS FOR INFORMATION**

7.1 Update – Review of Concessionary Travel Rates for Home to School Transport Provision – *Assistant Director, Neighbourhoods*

**8. ANY OTHER BUSINESS WHICH THE CHAIR CONSIDERS URGENT**

**FOR INFORMATION:**

Date of next meeting – Monday 21 December 2015 at 10.00 am in Committee Room B, Civic Centre



# NEIGHBOURHOOD SERVICES COMMITTEE

23<sup>rd</sup> November 2015



**Report of:** Assistant Director (Neighbourhoods)

**Subject:** **TEES VALLEY LOCAL STANDARDS FOR  
SUSTAINABLE DRAINAGE**

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Key Decision test (ii) applies. Forward Plan Reference No **RN17/15**.

## 2. PURPOSE OF REPORT

2.1 The purpose of this report is to set out the Council's guidance document for the use of Sustainable Drainage Systems (SuDS) on development sites and to update members on the Council's duties as a Lead Local Flood Authority (LLFA).

## 3. BACKGROUND

3.1 The Flood and Water Management Act 2010 (FWMA) was introduced to address the concerns and recommendations raised in the Pitt Report following the 2007 floods.

3.2 In December 2014 the Government announced that it would be amending the national planning policy to expect the installation of sustainable drainage systems for all major development where appropriate.

3.3 Each LLFA became a statutory consultee to the Planning Authority responsible for approving all surface water drainage systems for new developments in line with a set of national standards set out by Government as well as specific local standards.

3.4 The proposed guidance document indicates those specific local standards to ensure a satisfactory scheme is constructed.

3.5 The Local Standards document forms the minimum standards required by the Tees Valley Authorities and with the National Standards strongly promotes the use of SuDS which help to reduce surface water runoff and mitigate flood risk.

3.6 A copy of the document can be found in the Members Library.

#### **4. PROPOSALS**

4.1 The Local Standards have been produced by a working group from the Local Authorities of Hartlepool, Middlesbrough, Redcar and Cleveland, Stockton-on-Tees and Darlington Borough Councils.

4.2 The Floods and Waters Management Act 2010 (FMWA) stipulates that in designing and implementing SuDS, consideration should be given to ensuring that they: reduce damage from flooding, improve water quality, protect and improve the environment, protect health and safety and ensure stability and durability of drainage.

4.3 The proposed document forms the local standards for the Tees Valley Local Authorities and, together with the National Standards, strongly promotes the use of SuDS which help to reduce surface water runoff and mitigate flood risk.

4.4 This document is intended to be used by architects, engineers, planners and developers involved in the preparation of schemes for new development. It is not intended to be a prescriptive document, although it does set certain standards which will normally be required as a condition for any new systems.

4.5 The LLFA should be involved in any pre-application discussions relating to a development as it is recognised that the best and most viable SuDS outcomes are achieved if SuDS are considered early on in the formulation of the development design and layout.

4.6 SuDS use a number of techniques generally based on natural drainage features to collect, treat, store and then release storm water slowly to the environment. The techniques are formulated around Prevention, Source Control, Site Control and Regional Control.

4.7 SuDS present an opportunity to educate and engage communities about water management and to grow a greater appreciation and respect for urban water.

#### **5. RISK IMPLICATIONS**

5.1 There is a risk that if no Local Standards are implemented then developers have little documentation to work to or be accountable against.

5.2 Furthermore this document ensures continuity between the Tees Valley authorities in relation to SuDS delivery. If this document is not adopted a risk remains that an ad hoc approach to drainage could be implemented across the Tees Valley.

**6. FINANCIAL CONSIDERATIONS**

- 6.1 There are currently no financial considerations attached to this report. If the proposed maintenance plans change a further report will be presented.

**7. LEGAL CONSIDERATIONS**

- 7.1 The Council has responsibilities under the Floods and Water Management Act 2010 and National Planning Policy Framework in regards to Sustainable Drainage Systems.

**8. CHILD AND FAMILY POVERTY**

- 8.1 There are no child and family poverty implications attached to this report

**9. EQUALITY AND DIVERSITY CONSIDERATIONS**

- 9.1 There are no equality and diversity considerations attached to this report.

**10. SECTION 17 OF THE CRIME AND DISORDER ACT 1998 CONSIDERATIONS**

- 10.1 There are no Section 17 considerations attached to this report

**11. STAFF CONSIDERATIONS**

- 11.1 Consideration should be given to the resources required to assess each application to ensure that a proposed scheme is compliant with the requirements of the Local Standards.

**12. ASSET MANAGEMENT CONSIDERATIONS**

- 12.1 It is currently proposed that future SuDs assets are managed by the developer through a management company.
- 12.2 Currently the favored approach to funding future maintenance is via roof tax whereby residents fund SuDS maintenance via a management company. There is scope for the Council to have overall control whereby if the management companies fail to deliver the council can enforce duties under the Land Drainage Act 1991.

### **13. RECOMMENDATIONS**

- 13.1 It is recommended that the Council adopt the Local Standards document as a benchmark for future SuDS schemes.
- 13.2 It is recommended that Members approves the publication of the Local Standards.
- 13.3 Subject to approval by the Neighbourhood Services Committee the document would be referred to Planning Committee.

### **14. REASONS FOR RECOMMENDATIONS**

- 14.1 To prevent an increased risk of flooding from development, to improve and protect water quality and to ensure a satisfactory form of development compliant with the relevant legislation.

### **15. BACKGROUND PAPERS**

- 15.1 A copy of the document can be found in the Members Library.

### **16. CONTACT OFFICER**

- 16.1 Alastair Smith  
Assistant Director (Neighbourhoods)  
Level 3  
Civic Centre  
Hartlepool  
TS24 8AY  
  
Tel: (01429) 523401  
E-mail: [alastair.smith@hartlepool.gov.uk](mailto:alastair.smith@hartlepool.gov.uk)

Kieran Bostock  
Senior Engineer (Environmental Engineering)  
Civic Centre  
Hartlepool  
TS24 8AY  
  
Tel: (01429) 284291  
E-mail: [Kieran.bostock@hartlepool.gov.uk](mailto:Kieran.bostock@hartlepool.gov.uk)

# NEIGHBOURHOOD SERVICES COMMITTEE

23<sup>rd</sup> November 2015



**Report of:** Assistant Director (Neighbourhoods)

**Subject:** GRASS VERGE POLICY

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Non Key Decision.

## 2. PURPOSE OF REPORT

2.1 To seek Members approval to adopt a policy in relation to the prioritisation and construction of parking provision in and on grass verge areas within the town.

## 3. BACKGROUND

3.1 The purpose of this policy is to ensure that any inspections the Local Authority undertakes in relation to grass verges comply with the recommendations contained within the document entitled "Well Maintained Highways, Code of Practice for Highway Maintenance Management" published in 2005. The Code recommends that the following three areas should be taken into account when devising a policy:

- Safety
- Serviceability
- Sustainability

3.2 The Code is primarily concerned with large landscaped areas however this report concentrates on problems with the maintenance and upkeep of highway verges abutting the carriageway in residential areas.

- 3.3 Appendix K of the Code provides a Maintainability and Sustainability Checklist which contains a reference to Grassed and Planted Areas. The recommended check is:

*“Are grassed and planted areas of a size and position to be effectively maintained?”*

with a recommended action to:

*“Redesign or remove where necessary to avoid future poor appearance and later redesign.”*

Therefore the Council’s programme of replacing damaged grass verges with tarmac conforms to current guidelines.

- 3.4 It is clear that, despite efforts to encourage means of transport other than the car, the number of cars on our roads is increasing and thus the problem of parking on footways and verges is intensifying.
- 3.5 The situation is more prominent in these areas as the estates were designed in the 1960’s and 1970’s, when car ownership was much less than it is today. The problem is compounded by the fact that many households own more than one vehicle and that crime and the fear of crime encourages people to park their vehicles as close to their homes as they can, which is often on grassed areas or footpaths. This often results in obstruction and damage to both footways and verges, which is both unsightly and often poses a danger to pedestrians.
- 3.6 Hartlepool Borough Council as the Highways Authority for the area provides funding for various aspects of highway maintenance such as:
- Reconstruction works
  - Resurfacing works
  - Carriageway veneer treatments
  - Footway renewal

These works are identified via the Council’s 5-year programme of maintenance work, however maintenance of grass verges has, over the last few years, been carried out on an ad-hoc basis.

- 3.7 The following legal aspects of parking need to be considered:



Section 41 of the Highways Act 1980 imposes a duty on the local Highway Authority to maintain highways at public expense and section 58 of the Act provides a defence against action relating to alleged failure to maintain the highway.

It is an offence for heavy goods vehicles to park on the footway or verge under section 19 of the Road Traffic Act 1988, however this does not apply to any vehicle not classified as a heavy goods vehicle (less than 7.5 tonne) which includes private motor cars.

Section 137 of the Highways act 1980 says: *“...if a person, without lawful authority or excuse, in any way wilfully obstructs the free passage along a highway is guilty of an offence ...”(and)”...a constable may arrest without warrant any person whom he sees committing an offence against this section...”*

Section 131 of the Highways Act 1980 offers advice on what constitutes damage to the highway (including verges) and a person found guilty of such an offence is liable to a fine.

Section 161 of the Highways Act 1980 says” *...if a person without lawful authority deposits anything whatsoever on a highway in consequence of which a user of the highway is injured or endangered, that person is guilty of an offence.”*

Waiting restrictions on a carriageway apply not only to the carriageway but also to the verge and footway (on the same side of the road).

It is also an offence, under section 72 of the Highways Act 1835, for a carriage to be driven along a footway, it is understood that this law, still enforceable by the Police, is applicable to motor vehicles.

- 3.8 The above legislation give the Highway Authority power to enforce situations whereby vehicles are observed as to be parking on, or crossing over, a verge. In practice, because of difficulties in providing conclusive evidence as to a particular vehicle causing damage and lack of police support in terms of enforcement, it is not practical to bring prosecutions for these offences.

Consideration and understanding has also to be given to the reasons that parking on verges happens and to the benefits that actually arise out of it.

- 3.9 Growth in car ownership and crime and the fear of crime have previously been mentioned but the fact that a vehicle is not parked on a carriageway can be beneficial, especially in areas where narrow roads prevent larger vehicles, such as refuse collection vehicles, passing.

There is therefore a fine balancing act to be had between certain considerations these being: -

- Safety
- Amenity
- Accessibility
- Cost

#### 4. OPTIONS

- 4.1 There are several ways in which the problem can be tackled.

1. Prevent all parking on verges
2. Construct lay-bys
3. Construct parking bays
4. Reconstruct grass verges in tarmac
5. Extend the width of the carriageway.

- 4.2 Prevent all Parking on verges. This can be done in two ways.

- (a) Enforcement of current legislation.

This would require a huge commitment from both the Council and the Police in terms of enforcement. Given the scale of the problem it is very unlikely that this can be achieved.

- (b) Installation of physical restraints.

To physically stop vehicles over running verges it would be necessary to install bollards or boulders in large quantities. This could be utilised in smaller strategic areas but, in general, would be far too expensive and, from an amenity point of view, very unsightly.

- 4.3 Construct Lay-bys

This can be achieved in areas where grass verges are wide enough to accommodate a lay-by. Construction costs are very expensive, but has been achieved in the past to good effect across the town, generally by utilising external capital monies such as SRB or similar subsequent capital schemes. Unfortunately external funding is becoming harder to acquire and highway maintenance funding is not sufficient to be able undertake this type of work in any great quantity.

4.4 Construction of parking bays

Parking bays have, in the past, been constructed with the assistance of capital programme monies. This type of solution is also very expensive and often requires the use of public open space, as highway verges do not generally provide sufficient depth to accommodate them.

4.5 Reconstruct grass verges in tarmac

This is by far the most cost effective means of providing protection from vehicle over-riding thus reducing damage and the subsequent threat of third party liability for any accidents that result from it. It involves the removal of the grassed areas and replacement with tarmac construction.

4.6 It should be noted that these works do not normally involve the provision of a longitudinal dropped crossing as it is still an offence to park on a verge, regardless of its type of construction and the encouragement of making access easier could be construed as facilitating an illegal act, particularly if it results in damage to public utility apparatus that may be located in the verge or adjoining footway.

4.7 Extend the width of the carriageway.

This is, again, a very costly exercise and would probably not achieve any more benefit than the construction of a lay-by.

4.8 It can be seen from the options above that, other than externally funded schemes, the replacement of grass verges with tarmac is the most practical solution. The cost of this operation is approximately £110 per sq metre (not including dropped kerbs for the reasons detailed in 4.5 above).

4.9 When assessing a potential scheme, consideration must be given to which of the above solutions is the most sustainable and will give the maximum cost benefit ratio for the funding available.

**5. PRIORITISATION OF SCHEMES**

Due to the large number of requests for verge treatment received, it is necessary to establish a method of prioritisation. This method should be based on the criteria of safety, amenity, accessibility and cost.

A scoring method has been established as follows:-

1. Accessibility

Road Width	>5.5m	5.0m-5.5m	4.8m-5.0m	<4.8m
Score	1	2	3	4

2. Parking/Car Ownership

Car ownership	High	Low
Score	3	1

3. Availability of off street parking (i.e. frontage >4.5m deep)

	Yes	No
Score	1	3

4. Category of Road

Type of Road	Through Route	Cul-de-sac >100m	Cul-de-sac 50-100m	Cul-de-sac <50m
Score	4	3	2	1

5. Visible Damage to verge

	Yes	No
Score	2	1

6. Record of Accident Claims

	Yes	No
Score	4*	1

**\* Note- due to the financial implications of public liability claims this score has been weighted to reflect this**

## 7. Value for Money

An ad-hoc means of testing value for money has been established based on the total cost of the works and the total score achieved by each proposed scheme.

**Value for money = cost/score**

This will give a cost per point rating which can be used for prioritisation of proposed schemes

## 6. RISK IMPLICATIONS

- 6.1 On a number of occasions in the past, where verge hardening has included dropped kerbs, the Council have received claims from residents who had paid for drive crossings in the same street, alleging that other residents were being provided for free a facility that they have had to pay for. Whilst this is not entirely true, (as they will have had the footway, as well as the verge, protected in respect of utility apparatus, and can thus legally cross the footway in a vehicle), it is difficult to defend such a situation, especially as it is very difficult and costly to prosecute residents using the drops provided as part of the verge hardening to gain access for their vehicle onto a private drive.
- 6.2 The Council have in the past had to refund residents for the works undertaken as they were done not long before the verge hardening works, which can be as much as several hundred pounds.
- 6.3 When replacing any surface that would normally allow groundwater to dissipate within the substrata with a material that is less porous, consideration must be given to effect that this will have on the existing drainage systems in the area.
- 6.4 In the vast majority of cases where verges are being hardened the additional run off reaching the carriageway, as subsequently the gully system, will easily accommodated within the existing capacities. It is, however, best practice to due consideration that this is the case on a scheme by scheme basis before proceeding to ensure that surface water flooding is not likely to be generated.

## 7. FINANCIAL CONSIDERATIONS

- 7.1 The cost of verge hardening can vary extensively depending on whether the existing kerbs are to be dropped or not. If kerbs are dropped as part of a scheme consideration must be given to the potential of damage to public utility apparatus and the liability for this.

- 7.2 Schemes are currently funded through several avenues including, Ward Members Budgets, Housing Association Grants and the Local Transport Plan structural maintenance budget.

## **8. LEGAL CONSIDERATIONS**

- 8.1 Parking on highway verge is still technically a criminal offence (obstruction) and can be enforced by the Police. Whilst it is very rare for the police to enforce against this activity it has to be borne in mind when developing a policy that encouraging this to occur by dropping kerbs to make it easier is not advisable and that the removal of the verge and provision of lay-bys is a better option in this respect.

## **9. CHILD AND FAMILY POVERTY**

- 9.1 There are no child and family poverty implications attached to this report

## **10. EQUALITY AND DIVERSITY CONSIDERATIONS**

- 10.1 There are no equality and diversity considerations attached to this report

## **11. SECTION 17 OF THE CRIME AND DISORDER ACT 1998 CONSIDERATIONS**

- 11.1 It is an offence to park on highway footway or verge regardless of its composition and to encourage this to happen, by dropping kerbs, could be construed as facilitating this to happen.
- 11.2 On this basis it is inadvisable to provide dropped kerbs in conjunction with verge hardening schemes other than for a properly constructed drive crossing facility.

## **12. STAFF CONSIDERATIONS**

- 12.1 There are no staff considerations attached to this report

## **13. ASSET MANAGEMENT CONSIDERATIONS**

- 13.1 There are no asset management considerations attached to this report

## **14. RECOMMENDATIONS**

- 14.1 That Members approve the Policy of prioritisation of grass verge hardening based on the criteria contained in section 5.0 of this report and with consideration to the legal issues detailed in section 3 and elsewhere in the report.

## **15. REASONS FOR RECOMMENDATIONS**

- 15.1 To ensure that any available funding is utilised in the most appropriate locations to provide the optimum solution to parking problems whilst not compromising the Council in respect of potential legal liabilities.

## **16. BACKGROUND PAPERS**

- 16.1 There are no background papers

## **17. CONTACT OFFICER**

- 17.1 Alastair Smith  
Assistant Director (Neighbourhoods)  
Civic Centre  
Victoria Road  
Hartlepool  
TS24 8AY  
Email [alastair.smith@hartlepool.gov.uk](mailto:alastair.smith@hartlepool.gov.uk)  
Tel: 01429 523802

Mike Blair  
Technical Services Manager  
Level 4  
Civic Centre  
Hartlepool  
TS24 8AY  
Email [mike.blair@hartlepool.gov.uk](mailto:mike.blair@hartlepool.gov.uk)  
Tel: 01429 523252

# NEIGHBOURHOOD SERVICES COMMITTEE

23<sup>rd</sup> November 2015



**Report of:** Assistant Director (Neighbourhoods)

**Subject:** RECYCLING

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Non-key decision.

## 2. PURPOSE OF REPORT

2.1 To provide information about the Council's kerbside dry recycling service and the challenges of dealing with the high levels of contamination, the recent changes in government regulations and the difficult trading conditions that currently exist within the recycling industry.

2.2 To seek approval to introduce changes to the kerbside dry recycling service, aimed at addressing these issues and, as part of the changes, to gain approval for the collection element of the contract to transfer from external contractor to the Council.

2.3 To seek approval to carry out works at the Burn Road Transfer Station to accommodate changes to the kerbside dry recycling service, relocate the confidential waste shredding facility, and provide efficiencies/savings during closures of the Energy from Waste (EfW) plant on Teesside. The proposed works will also bring back into use a redundant area of this site that was recently closed on the grounds of health and safety, as it was deemed to contain a hazardous structure.

## 3. BACKGROUND

3.1 In 2013, the kerbside dry recycling contract was awarded to Palm Recycling Ltd for a period of seven years, with an option to extend for a further two years. The contract was written in a way that aimed to take full advantage of the fact that recyclable material had become a potentially valuable commodity. The contract also looked to protect the Council from any severe fluctuations in the value of recyclable waste; thus achieving



maximum financial stability in order that the Waste Management section was able to meet its corporate savings targets.

- 3.2 Over the initial two year period, as a direct result of this contract, the Waste Management section has generated savings of £350,000 per annum, and these savings formed part of the savings programme included in the the Medium Term Financial Strategy. Despite these significant financial gains, the contract has not been without its issues. Primarily, these have focussed around the significant levels of contamination within the dry recyclate. At its peak, contamination has reached an unacceptable level of 24% against the specified contractual level of 5%.
- 3.3 5% contamination is taken from typical levels across the country for kerbside recycling schemes and is considered a level that mechanised recycling facilities should be expected to process. 5% contamination has been the figure set by Hartlepool Borough Council in previous recycling contracts. Contamination levels currently stand at around 20%.
- 3.4 High levels of contamination, 10% and above, has a significant impact on the efficiency rate of the processing plant, which reduces the value of the material and renders the whole operation financially unviable.
- 3.5 In October 2014, the government introduced changes to the environmental permitting regulations, which requires contactors to improve the ‘end-quality’ of materials being processed at their facilities. To further exacerbate the situation, the industry has recently witnessed unprecedented falls in the market value of recyclable material. Collectively, these factors have forced Palm Recycling Ltd to consider its options in respect to its contract with the Council.
- 3.6 As a consequence, the Waste Management Section, along with Procurement and Legal, has had a number of meetings with Palm Recycling in an attempt to find a suitable resolution, acceptable to both parties. From the Council’s perspective, this would need to provide as much financial stability as possible whilst still maintaining a consistently high standard of service for the people of Hartlepool.
- 3.7 Hartlepool is not unique in this situation; many authorities across the country are experiencing difficulties with their kerbside recycling service, resulting from a combination of high contamination levels and falling market prices.

#### 4. OPTIONS

- 4.1 A number of options have been discussed in detail, which are attached as **(confidential Appendix A)**. **(This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information.)**

#### 5. PROPOSALS

- 5.1 The recommended proposal for Members to consider is detailed in **confidential Appendix A**. **This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information.**

##### 5.2 Burn Road Transfer Station – Proposed Works

- 5.2.1 The Council's Transfer Station at Burn Road plays an essential part in delivering front line services such as Street Cleansing, Grounds Maintenance, Highways Maintenance and Waste Management. Vehicles from these important front line services deposit waste materials at the site where they are sorted prior to being transferred to external authorised treatment facilities.
- 5.2.2 Along with the adjacent Household Waste Recycling Centre, the Burn Road Transfer Station was recently the subject of an inspection by the HSE (Health & Safety Executive). To mitigate the risk of closure of the site, it was necessary to take out of use an area of the site that was deemed unsuitable for operational purposes. The area consists of an elevated structure that was previously used by street cleansing vehicles to tip-off their wastes. Safer, alternative solutions have now been introduced, rendering an area of approximately 500m<sup>2</sup> of this essential materials sorting facility redundant.
- 5.2.3 Materials collected from the kerbside dry recycling service will need to be bulked up before being transported for processing. However, also, due to the impending closure and demolition of the Lynn Street depot site, it will be necessary to relocate the Council's confidential waste paper shredding apparatus. Confidential waste paper shredding is an essential service provided by the Waste Management Section, which currently costs around £36,000 per year; however, a soft market testing exercise has indicated that this is approximately half of the cost of an external service provider.

- 5.2.4 Periodically it is necessary for the Council to take its civic amenity waste direct to landfill sites during planned and unplanned closures of the SITA Energy from Waste (EfW) plant on Teesside. Wastes diverted from the EfW plant to landfill are twice the cost per tonne to dispose of and have a significant adverse impact on the Council's landfill performance indicators. The annual cost to the Council of the planned shut-downs at the EfW plant is in the region of £95,000 for civic amenity waste alone; however, this figure has the potential to rise significantly in the event of an unscheduled shut-down caused by plant failures or any other issue.
- 5.2.5 A purpose-made holding facility located at the Burn Road Transfer Station would enable the Council to safely stockpile wastes during planned and unplanned closures of the EfW plant on Teesside.
- 5.2.6 To accommodate the depot move, changes to the kerbside dry recycling service, and to alleviate the impact of planned and unplanned closures of the EfW, it is proposed that works are undertaken at the Burn Road Transfer Station which comprises of the following:
- Remove the now-defunct elevated platform and reinstate the ground;
  - Erect a suitable building/canopy for dry recyclable material and wastes diverted from the EfW plant;
  - Relocate the confidential waste shredding machine from the Lynn Street depot.

## 6. FINANCIAL CONSIDERATIONS

- 6.1 Under the current contract a management fee is paid for the collection and processing of all Recyclable Waste materials. Under this contract the Council retains 32% of the income received from the sale of the recyclate. The table below provides a summary of the current costs and existing budget provision for the service:

Table 1 - Existing Budget Provision for the Recycling Service

	<b>Current Cost/(Income) £</b>
Management Fee	380,000
Income from Recyclate	(100,000)
<b>Net Cost/ General Fund Budget</b>	<b>280,000</b>

- 6.2 The proposal outlined in **(confidential Appendix A)** of the report involves delivering the collection element of the service in-house. The cost of collecting the waste and processing the recyclable material (Gate Fee) will be offset by income generated from the sale of the recyclate and the Council will retain 100% of the income generated under the new arrangement. **(This item contains exempt information under Schedule**

**12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information.)**

**Table 3 – Financial Summary of the Burn Road Transfer Station – Proposed Works**

	£
Capital cost of works	250,000
<b>Revenue Implications</b>	
Annual Borrowing Cost (40 years)	15,000
Savings - reduced diversion to landfill	(95,000)
<b>Net Annual Revenue Saving</b>	<b>(80,000)</b>

- 6.4 The costs of carrying out the works to the Burn Road Transfer Station are estimated to be £250,000 which will be funded by prudential borrowing. The annual loan repayment costs of £15,000 will be funded from savings in the Waste Disposal Budget. The savings will be generated by providing temporary storage to avoid the high costs of diverting waste to landfill on occasions when there are planned/unplanned energy plant shutdowns.
- 6.5 In 2016/17 it is currently anticipated that the resulting budget pressure of £80,000 can be managed within the overall Departmental budget by investing in the Burn Road Transfer Station and generating savings in the Waste Disposal budget, as outlined above. However, the financial risk for this service will now be borne by the Council. This is a particularly volatile market place and the fluctuations in the market price for recyclable materials may result in a future budget pressure. This position will be closely monitored and any future budget pressure will need to be considered as part of the 2017/18 budget process.
- 6.6 It is the intention to mitigate this risk by reducing contamination levels which will in turn reduce costs overall. As outlined in section 3, contamination levels currently stand at around 20% and high levels of contamination, 10% and above, have a significant impact on the efficiency rate of the processing plant. This is reflected in **confidential Appendix A section 6.4. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information.**

## 7. RISK IMPLICATIONS

### 7.1 Kerbside Dry Recycling Service

7.1.1 Under the proposal, the Council faces a higher risk from the fluctuating market prices of recyclable materials and covered in **confidential Appendix A. This item contains exempt information under Schedule 12A Local Government Act 1972 (as amended by the Local Government (Access to Information) (Variation) Order 2006) namely, (paragraph 3) information relating to the financial or business affairs of any particular person (including the authority holding that information.**

7.1.3 Whilst the figures shown in Section 6 of this report are based on current market prices, any falls in the market value would have a negative financial impact on budgets. Conversely, any future rises in the value of recyclable material will provide a surplus. Based on the current 7,400 tonnes of recyclable waste collected, a 1% rise or fall in prices would result in a pressure or saving of £3,000 p.a. against the £320,000 income budget.

7.1.4 It is recommended therefore that in periods when market values are high, any surplus income generated will be used to establish a Waste Disposal income risk reserve to manage the impact of any future fall in the market over more than one financial year.

7.1.5 The waste management and disposal service area is a particularly volatile budget. In 2016/17 it is currently anticipated that the resulting budget pressure associated with the proposals can be managed within the overall Department by investing in the Burn Road Transfer Station, however this budget will be closely monitored and any future budget pressure will need to be considered as part of the 2017/18 budget process.

### 7.2 Burn Road Transfer Station

7.2.1 Confidential waste paper disposal is an important service, which is delivered to departments/sections across the entire Council. Failing to relocate or continue with the in-house service provision will result in increased costs across various departments / sections for the disposal of confidential waste material.

## 8. LEGAL CONSIDERATIONS

8.1 The proposal in Section 5 above will be subject to the Council agreeing a suitable variation to the terms and conditions of the existing contract with The Contractor.

**9. CHILD AND FAMILY POVERTY**

9.1 There are no child and family poverty implications relating to this report.

**10. EQUALITY AND DIVERSITY CONSIDERATIONS**

10.1 There are no equality and diversity considerations relating to this report.

**11. SECTION 17 OF THE CRIME AND DISORDER ACT 1998 CONSIDERATIONS**

11.1 There are no Section 17 considerations relating to this report.

**12. STAFF CONSIDERATIONS**

12.1 In the event of the collection element of the contract transferring to the Council, TUPE regulations may apply, through changes envisaged in the provision of this service. If this is the case, then those employees whose principal purpose is to carry out the activities under this contract, would likely to be TUPE protected. Although, further discussions would be required, it currently appears that at least three staff may transfer from the current provider to the Council.

12.2 Over the past 12 months, efficiencies have been identified within Operations via the use of route optimisation technology, the reconfiguring of services and the cross-working/traversing of service areas. This has led to an increase in productivity, releasing capacity for the labour element of this proposal to be largely absorbed by the existing workforce.

12.3 There are no staffing implications associated with the proposed changes to the Burn Road Transfer Station.

**13. ASSET MANAGEMENT CONSIDERATIONS**

13.1 The grey recycling bins used under the current arrangements were purchased by the Council and the Council is responsible for any replacements. This will not change under the proposed arrangements; however, the blue box currently used under the existing scheme will be discarded and the service will move to a fully co-mingled system. There will therefore be no need for the Council to keep a stock of blue boxes if the proposals were to be implemented.

## 14. RECOMMENDATIONS

### 14.1 Committee is recommended to:

- a) Approve the proposal for the Council to carry out the collection element of the Recycling service in-house as outlined in the proposal (see Section 5 and also **confidential Appendix A**) of the report,
- b) Approve the transfer of staffing budget for 9 staff from Operations to Waste to minimise the resulting budget pressure associated with the proposed changes,
- c) That officers from the Council are authorised to re-negotiate the terms and conditions of the contract with the provider/contractor in accordance with corporate procurement and legal requirements.
- d) That officers are authorised to negotiate with the provider/contractor regarding potential TUPE implications.
- e) Note that subject to the approval of recommendations a) to d), the Medium Term Financial Strategy to be referred to Council by the Finance and Policy Committee, includes the following recommendations:-
  - i) Approve the use of Prudential Borrowing for the purchase of Operational Equipment which includes the three vehicles required to bring the recycling service in-house,
  - ii) Approve the use of Prudential Borrowing to fund the £250,000 Capital Costs associated with the works required to the Burn Valley Transfer Station,
- f) Note the financial implications outlined in section 6 of the report,
- g) Note the risks associated with the new arrangement which may result in a budget pressure in 2017/18, which will be need to be considered as part of the 2017/18 budget process.

## 15. REASONS FOR RECOMMENDATIONS

- 15.1 Hartlepool Borough Council is not unique in reconfiguring its kerbside dry recycling service; many authorities across the country are experiencing problems caused by distressed market conditions and difficulties within the recycling industry. Failure by the Council to acknowledge these issues and implement appropriate changes could result in a failure of the recycling service.
- 15.2 The Council is required to meet EU and government targets on recycling, which are currently 45% by 2015, rising to 50% by 2020. A failure to find a suitable resolve to the current situation will have a significant impact on the

Council's recycling returns, which could lead to EU and/or government intervention and damage to the Council's reputation.

15.3 A number of options have been explored and it appears the proposals are financially and environmentally the best option.

15.4 The works at the Burn Road Transfer Station are necessary to accommodate the changes to the kerbside dry recycling service; however, alterations will also assist in alleviating the costs associated with planned and unplanned closures of the EfW plant on Teesside.

15.5 With the pending closure and demolition of the Lynn Street Depot, it will be necessary to relocate/re-house the Council's confidential paper shredding facility. This service is essential to departments/sections across the entire Council and it would be cost-effective for this service to remain in-house.

15.6 The proposed works will bring back into use a redundant area of this site that was recently closed on the grounds of health and safety.

## 16. BACKGROUND PAPERS

16.1 There are no background papers to this report.

## 17. CONTACT OFFICER

17.1 Alastair Smith  
Assistant Director (Neighbourhoods)  
Civic Centre  
Victoria Road  
Hartlepool  
TS24 8AY

Email: [alastair.smith@hartlepool.gov.uk](mailto:alastair.smith@hartlepool.gov.uk)

Tel: 01429 523401

Craig Thelwell  
Waste and Environmental Services Manager  
Edgar Philips Building  
Church Street  
Hartlepool

Email: [craig.thelwell@hartlepool.gov.uk](mailto:craig.thelwell@hartlepool.gov.uk)

Tel: 01429 523370



# NEIGHBOURHOOD SERVICES COMMITTEE

23<sup>rd</sup> November 2015



**Report of:** Assistant Director (Neighbourhoods)

**Subject: UPDATE – REVIEW OF CONCESSIONARY TRAVEL RATES FOR HOME TO SCHOOL TRANSPORT PROVISION**

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## 1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 For information.

## 2. PURPOSE OF REPORT

2.1 To update members on the take-up of Concessionary Travel Permits for home to school transport following Members request from the meeting of this Committee on 27<sup>th</sup> October 2014.

## 3. BACKGROUND

3.1 At the meeting of this committee on 27<sup>th</sup> October 2014 it was reported that in December 2013 an Internal Audit Report recommended that the calculation of concessionary seat fees should be reviewed to ensure that the cost of a seat was fully recovered. The charge at the time (£50 per term, £0.79 per day) did not reflect the cost and was not in line with the commercial sector or other Local Authority charging policies.

3.2 The Committee considered a range of options and agreed to increase the rate in a staged approach commencing September 2015, £195 per annum from September 2015 (£1.02 per day), £285 per annum from September 2016 (£1.50 per day) and £375 per annum from September 2017 (£1.97 per day).

3.3 This report provides an update on the take-up of the concessionary travel provision across the home to school transport services from the start of the academic year in September 2015.

#### 4. PROPOSALS

- 4.1 To continue with the existing approved strategy and continue to monitor to ensure there are no adverse impact on vehicle usage and the cost of providing the statutory service.

#### 5. RISK IMPLICATIONS

- 5.1 Failure to continually review the concessionary travel arrangements could set an unrealistic and unsustainable charge which would not cover the cost of a seat.
- 5.2 A low take up of concessionary seats may impact the operational viability of some of the home to school transport services resulting in some vehicles being removed from service, providing only for who are statutorily entitled. This in turn may also impact on staff contracts.

#### 6. FINANCIAL CONSIDERATIONS

- 6.1 The provision of home to school transport is supported by the home to school transport budget and will continue to support students eligible for travel assistance through statutory legislation and local Policy.
- 6.2 The charge for a concessionary seat will require continual review to ensure the full cost of the seat is covered and does not impact on the home to school budget.
- 6.3 **Appendix A** details the mainstream home to school transport services, showing the vehicle seating capacity, the number of students who are statutorily entitled to transport and the number of students purchasing a concessionary seat. Figures are based on the take-up from September 2015 and may change in the third term in January 2016.
- 6.4 There has been an increase of 44 students from the start of the new term in September. In the main this is year 7 students accessing English Martyrs School in view of the withdrawal of Denominational Transport provision from September 2015 for all new students.
- 6.5 The withdrawal of Denominational Transport will continued to be rolled out each academic year until the end of July 2019. This will inevitably continue to influence the take up of concessionary seats.
- 6.6 Based on the current numbers the projected income for the financial year 2015 – 2016 is estimated at £24,620.

**7. LEGAL CONSIDERATIONS**

7.1 There are no legal considerations attached to this report.

**8. CHILD AND FAMILY POVERTY**

8.1 There are no child and family poverty implications attached to this report.

**9. EQUALITY AND DIVERSITY CONSIDERATIONS**

9.1 There are no equality and diversity considerations attached to this report.

**10. SECTION 17 OF THE CRIME AND DISORDER ACT 1998 CONSIDERATIONS**

10.1 There are no Section 17 considerations attached to this report.

**11. STAFF CONSIDERATIONS**

11.1 At present there are no anticipated staffing implications, however this will be monitored in line with the take up of concessionary seats and the continuing requirement of the service provision.

**12. ASSET MANAGEMENT CONSIDERATIONS**

12.1 There are no asset management considerations at present, however continual review is required to determine the impact on the viability of the vehicle fleet.

**13. RECOMMENDATIONS**

13.1 That members note the content of the report.

**14. REASONS FOR RECOMMENDATIONS**

14.1 To update members on the uptake of Concessionary fares travel permits for home to school transport following a request from this Committee meeting 27<sup>th</sup> October 2014

**15. BACKGROUND PAPERS**

- 15.1 Internal Audit Report – Integrated Transport Unit, Child and Adult Provision  
December 2013.

**16. CONTACT OFFICER**

- 16.1 Alastair Smith  
Assistant Director (Neighbourhoods)  
Level 3  
Civic Centre  
Hartlepool  
TS24 8AY

Tel: (01429) 523401  
E-mail: [alastair.smith@hartlepool.gov.uk](mailto:alastair.smith@hartlepool.gov.uk)

Jayne Brown  
Passenger Transport Services Team Leader  
Edgar Philips Building  
Civic Centre  
Hartlepool

Tel: (01429) 523526  
E-mail: [Jayne.brown@hartlepool.gov.uk](mailto:Jayne.brown@hartlepool.gov.uk)

## Appendix A

<b>Bus route and School</b>	<b>Vehicle capacity</b>	<b>Statutory Entitlement students</b>	<b>Concessionary seat take up 2015</b>	<b>Comparison - Concessionary seat take up 2014</b>
PSV2 – English Martyrs – West View	53 seats	41	8	2
PSV51 – High Tunstall - Villages	53 seats	39	3	3
PSV52 – St Teresa’s – Seaton Carew	57 seats	34	3	3
YB1 – English Martyrs – Seaton Carew	60	23	17	9
YB2 – English Martyrs – Seaton Carew	60	43	5	3
YB3 – English Martyrs – Clavering/Hart/Elwick	60	40	16	9
YB11 – English Martyrs – Bowes Green/King Oswy Drive	67	44	11	4
YB12 – English Martyrs - Headland	67	51	14	2
YB13 – English Martyrs – Throston Grange	67	3	56	52
YB16 – St Hilds - Headland	67	44	16	18