

Future Waste Strategy Inquiry – Finance and Terms of Reference

Date: 18 October 2021

Report of: Head of Democratic Services

Report to: Scrutiny Board (Strategy and Resources)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- The Terms of Reference (at Appendix 1) outline a proposed joint inquiry to be conducted by the Environment, Housing and Communities and Strategy and Resources Scrutiny Boards.
- The Terms of Reference reflect requests from members of both Boards to consider in detail issues associated with the strategic direction of waste services, and specifically ways in which recycling rates can be improved and at what cost. The role of Strategy and Resources will be tightly focused on the finances involved in recycling in Leeds and not service delivery which falls under the remit of the Environment, Housing and Communities Board.
- Given this remit, it is proposed that the Environment, Housing and Communities Scrutiny Board leads an inquiry into the future of the Council's waste services, focusing on resilience, sustainability and interventions that can improve the future services including increasing the percentage of waste that is recycled.
- However, given the wide breadth of issues relating to waste services, it is proposed that capacity within the scrutiny service is maximised through the delegation of specific elements of the work – expressly related to finance - to the Strategy and Resources Scrutiny Board. Strategy and Resources has a number of financial delegations within its scrutiny remit including setting, supporting and monitoring the council's policies and procedures for budgets, managing and monitoring the Council's revenue budget and capital programme and reporting on the robustness of the Council's financial plans.
- This joint approach will enable members of the Strategy and Resources Board, along with at least two representatives of the Environment, Housing and Communities Scrutiny Board, to examine some of the budgetary aspects of waste services in detail with a view to reporting those findings back to the Environment, Housing and Communities Board.

- In conducting this inquiry, the two Boards aim to support the aspirations set out in the Best Council Plan 2020-2025, to identify ways in which to increase the percentage of waste recycled and to prioritise sustainable infrastructure that responds to the 2019 declaration of a climate emergency and the Council's aspiration to be a net zero carbon city by 2030.
- As set out above the Environment, Housing and Communities Board agreed to delegate the finance element of the remit to the Strategy and Resources Board at its meeting on 23 September.
- To initiate discussion on the financial issues associated with increasing the percentage of waste that is recycled Appendix 2 to this report provides a high level summary of existing costs, contractual costs associated with waste and the estimated costs of increasing the collection of kerbside recyclable material.

Recommendations

- a) Members are asked to note the contents of Appendix 1 t and note the agreed Terms of Reference delegating responsibility for financial matters as they relate to recycling services in the city to Strategy and Resources Scrutiny Board.
- b) To note the content of Appendix 2 and highlight further scrutiny work linked to these issues to be incorporated into the Board's Work Programme.
- c) The Board is also asked to confirm at least two representatives to join members of the Environment, Housing and Communities Scrutiny Board in their deliberations and wider inquiry into this issue.

Why is the proposal being put forward?

- 1 In considering their future work programmes members of both the Environment, Housing and Communities and Strategy and Resources Scrutiny Boards requested that opportunity be made available to examine issues relating to waste services in this municipal year.
- 2 The remit of the Environment, Housing and Communities Scrutiny Board includes refuse services and climate change, both of which are significant ongoing priorities for the Board. It is therefore deemed appropriate that the Environment, Housing and Communities Scrutiny Board has overall responsibility and oversight for the establishment, delivery, and conclusion of the proposed inquiry.
- 3 The Strategy and Resources Scrutiny Board has, however, also specifically requested opportunity to examine the budgetary implications of proposals to increase recycling rates. To maximise capacity and potential added value, and to avoid duplication, the Chairs are therefore proposing a joint approach to this work.
- 4 The Environment, Housing and Communities Scrutiny Board will lead the inquiry with the Strategy and Resources Scrutiny Board reporting its findings for inclusion in the final inquiry recommendations via a scrutiny statement once the financial work has been completed.
- 5 By way of context, members have been mindful that the future of waste services is a significant priority for decision makers locally and nationally, with any future action likely to have the potential to contribute towards achieving wider ambitions linked to climate change.

The discussions will be informed by the detail set out in the delayed Government Waste Strategy and any additional resources provided by Government related to it.

- 6 Members of the Boards in question have also suggested it is timely to consider the options available to the Council to improve recycling rates – and their associated financial implications – in light of the significant long-term financial challenges facing local authorities.
- 7 Given the financial focus on this issue Strategy and Resources Scrutiny Board will need to consider additional costs linked to increasing recycling volumes and where additional resource might come from to provide that set against the ongoing financial challenge faced by the Council. The Board may wish to consider options such as invest to save, sources of additional Government or wider funding and making better or alternative use of resources within the existing financial envelope.

What impact will this proposal have?

Wards Affected:

Have ward members been consulted?

Yes

No

- 8 The Vision for Scrutiny sets out the ambition for Leeds City Council's Scrutiny function to engage in policy review and development, which can contribute to achieving service improvements, thereby adding value for the people of Leeds. Scrutiny Board members have identified future waste services as an area in which they believe their engagement, challenge and review could achieve such results.

What consultation and engagement has taken place?

- 9 Consultation on the Terms of Reference has taken place between both Chairs, along with the Executive Board Member for Environment and Housing, the Director of Communities, Housing and Environment and the Chief Officer for Environmental Services.

What are the resource implications?

- 10 Resources to support the Scrutiny function are, like all other Council functions, under considerable pressure and constructive consultation should therefore take place between the Executive and Scrutiny about the availability of resources prior to any work being undertaken.
- 11 Scrutiny Boards should:
 - Seek the advice of the Scrutiny officer, the relevant Director and Executive Member about available resources
 - Avoid duplication by having a full appreciation of any existing forums already having oversight of, or monitoring a particular issue
 - Ensure any Scrutiny undertaken has clarity and focus of purpose, will add value, and can be delivered within an agreed time frame

11 Enhancing the volume of recycled material will have cost implications and these are dealt with in more detail in Appendix 2.

What are the legal implications?

12 There are no specific legal implications associated with this report.

What are the key risks and how are they being managed?

13 There are no specific risk management issues associated with this report.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth

Health and Wellbeing

Climate Emergency

Appendices

14 Appendix 1 – Draft Terms of Reference

15 Appendix 2 – High level summary of funding and cost factors associated with recycling service in Leeds

Background papers

16 None