

NOTICE OF MEETING

Special Overview and Scrutiny Committee

MONDAY, 21ST AUGUST, 2006 at 19:00 HRS –
CIVIC CENTRE, HIGH ROAD, WOOD GREEN, N22 8LE.

MEMBERS: Councillors Bull (Chair), Bevan, Davies, Winskill, Cooke, Jones, and Whyte

Co-Optees: Mr B. Aulsberry and Mrs. I. Shukla (REJCC non-voting representatives), Ms. C. Bhagwandeem plus 2 Vacancies (parent governors), L. Haward plus 1 Vacancy (church representatives)

AGENDA

1. CHAIR'S WELCOME AND APOLOGIES FOR ABSENCE

2. DECLARATIONS OF INTEREST

A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

A member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the member's judgement of the public interest.

3. URGENT BUSINESS

The Chair will consider the admission of any late reports relating to item 5 below which will be considered under that agenda item.

4. CALL-IN OF THE EXECUTIVE DECISION RELATING TO THE RECYCLING SERVICE (PAGES 1 - 36)

- i) Report of the Monitoring Officer
- ii) Report of the Director of Environment
- ii) Appendix (For information only):
 - a) Copy of the 'call in'
 - b) Draft minutes of meeting of the Executive of 25 July 2006 (Subject to confirmation by the Executive)
 - c) Recycling Service report from the Executive of 25 July 2006

A decision on the above item was taken by the Executive on 25 July 2006. The decision has been called in, in accordance with the provisions set out in the Constitution, by Councillors Hare, Oakes, Aitken, Oatway and Engert.

The Overview and Scrutiny Committee is requested to decide what further action it wishes to take regarding the Call In.

The Overview and Scrutiny Committee may deal with the Call-In in one of three ways:

- i) The Overview and Scrutiny Committee may decide not to take any further action, in which case the decision is implemented immediately.
- ii) The Overview and Scrutiny Committee may decide to refer the decision back to the decision taker, in which case the decision taker **has 5 working days** to reconsider the decision before taking a final decision.
- iii) The Overview and Scrutiny Committee may decide to refer the decision to Full Council.

It is proposed that consideration of this item be structured as follows:

- (i) A brief outline by the above Members on the reasons for the Call In.
- (ii) Response by the Executive Member for Environment.
- (iii) Debate by Members on action to be taken.
- (iv) Decision.

Note: Under Standing Order 32.6 no other business shall be considered at the meeting.

5. EXCLUSION OF PRESS AND PUBLIC

The following item is likely to be the subject of a motion to exclude the press and public as it contains exempt information relating to the business or financial affairs of any particular person (including the Authority holding that information).

**6. EXEMPT APPENDICIES IN RELATION TO CALL-IN OF THE EXECUTIVE
DECISION RELATING TO THE RECYCLING SERVICE (PAGES 37 - 50)**

YUNIEA SEMAMBO
Head of Member Services
River Park House
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JEREMY WILLIAMS
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11 August 2006
18 August 2006 NM

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Agenda item:

Special Overview and Scrutiny Committee on 21 August 2006

Report Title: **Monitoring Officer's Report on the Call-In of a Decision taken by The Executive on 25 July 2006 recorded at minute TEX 61**

Forward Plan reference number (if applicable): **N/A**

Report of: **The Monitoring Officer and Head of Legal Services**

Wards(s) affected: **All**

Report for: **Consideration by Overview and Scrutiny Committee**

1. Purpose

1.1 To advise the Overview and Scrutiny Committee whether or not the decision taken by The Executive on 25 July 2006 and minuted at TEX 61 falls inside the Council's policy or budget framework

2. Recommendations

2.1 That Members note the advice of the Monitoring Officer that the decision taken by The Executive was inside the Council's policy framework.

Report Authorised by:



Davina Fiore, Monitoring Officer and Head of Legal Services

Contact Officer: Terence Mitchison, Senior Project Lawyer, Corporate
Terence.mitchison@haringey.gov.uk 8489-5936

3. Local Government (Access to Information) Act 1985

3.1 The following background papers were used in the preparation of this report:

The Council's Constitution

The report on the Recycling Service to The Executive meeting on 25 July 2006

3.2 This report contains exempt and non-exempt information. The exempt information is set out in the Exempt Appendix and is not for publication. The exempt information is under the following category (no.3) in Schedule 12A Local Government Act 1972 as amended:

Information relating to the financial or business affairs of any particular person (including the authority holding that information) where the public interest in maintaining the exemption outweighs the public interest in disclosure.

4. Details of the Call-In

- 4.1 In order for a decision to be outside the policy framework, it would be contrary to, or inconsistent with, a policy set out in Part F.6 of the Constitution which is “The Budget and Policy Framework Schedule”. Among these framework policies are “over-arching” strategies such as the Community Strategy and major service plans such as the Unitary Development Plan. The Council’s Constitution itself is part of the framework that must be complied with. A decision would be outside the budget framework if it necessarily resulted in expenditure exceeding an agreed budget.
- 4.2 The Call-In form starts by claiming that the original decision of The Executive “may be outside the policy framework because the decision to bring the service in-house is contrary to Council policy to work in partnership with the voluntary sector and has the potential to adversely affect service delivery.”
- 4.3 Later the Call-In form states that the original decision The Call-In form claims that the original decision of The Executive “may also be outside the policy framework because no environmental or broader sustainability (including social impacts) assessment was carried out of the options.”
- 4.4 Finally the Call-In form alleges that the original decision is “outside the budget framework because the decision to bring the service in-house involved unquantified risks to the budget including adverse effects on the qualifications for grants towards the service.”

5. Monitoring Officer’s Response – Voluntary Sector Point

- 5.1 The Community Strategy at page 7 contains a policy “to support the development of services by voluntary....organisations.” This is a general aspiration but it cannot be interpreted to mean that securing service provision by a voluntary organisation takes precedence over other important criteria such as the need to ensure reliable service provision within budget and in accordance with statutory recycling targets.
- 5.2 RWS (Recycling Works Services) is described in its Company Memorandum of Association as having “not-for-profit” status which is not necessarily the same thing as a voluntary body. The relationship between RWS and the Council is essentially a commercial one. Under the Council’s Contract Procedure Rules (Standing Orders) and the law relating to procurement by public authorities, proposed service provision by a company such as RWS must be assessed on the same basis as bids from commercial

providers. These specific legal requirements cannot be over-ridden by a general policy to encourage service provision by the voluntary sector.

- 5.3 The original report examined the options for future service delivery and concluded with a firm and clearly argued recommendation that the recycling service should be brought in-house as the best option to ensure reliable and proper service delivery. Although there could be counter-arguments to the effect that there may be benefits in continuing the contractual relationship with RWS, this does not take The Executive's decision outside the policy framework.

Monitoring Officer's Response – Lack of Environmental/Sustainability Assessment

- 5.4 The original report focussed on the main environmental and sustainability factors affecting Members' decision. These were (i) the need to ensure reliable future service provision in the light of the continuing dispute over payments due to RWS, (ii) the need to ensure that future arrangements enable the Council to meet Government recycling targets by exercising greater control over service delivery and (iii) the need to work towards an integrated recycling and waste contract for the longer-term.
- 5.5 While the broader environmental and social impacts are important in the long term these are inevitably difficult to predict with certainty. In the circumstances, there was an obvious need for a rapid decision given the risks to service delivery. The report gave Members the most important information on environmental and sustainability factors. Therefore the decision of The Executive is inside the policy framework.

Monitoring Officer's Response – Budget Point

- 5.6 The original report examined the financial risks involved in the potential loss of CRED funding which would probably cease to be available for an in-house operation. It was explained that about half of the total bid value of £520,000 over two years was to come from Seven Sisters NDC and Council match funding. The NDC and Council match funding would still be available and may have been supplemented from neighbourhood renewal grant funding to provide an alternative estates recycling scheme. The risk of losing the CRED funding was thus quantified.
- 5.7 The other financial risk arising from increased pensions costs was also quantified in the original report as a maximum potential cost of £200,000 when the service was brought in-house. Many of the potential savings were quantified and these would have been used to off-set the overall additional cost. Any net additional cost would have been met either from compensatory savings from within Environmental Services budget or failing that from the Council's general reserves. Therefore any additional expenditure arising from the decision would not have exceeded the Council's overall agreed budget.
- 5.8 As against these increased costs, bringing the service in-house would avoid the uncertainties and potential extra costs inherent in continuing the contract with RWS which threatened to take the costs of service provision outside the agreed service budget. The relevant costs and financial information were set out in the exempt appendices to the original report. Bringing the service back in-house would give greater

certainty that service provision costs can be contained within budget. Therefore the original decision is not outside the budget framework.

5.9 Should the Council have proceeded to use RWS until 2009 under their stated terms of business with the implementation of the CRED scheme, the estimated cost over base of doing so would have been as shown in Table 1 which is set out in the Exempt Appendix to this report.

5.10 Should the Council proceed with the recommendation to terminate the contract with RWS and run the service in house until 2009 with the implementation of an alternative to the CRED scheme, the estimated cost over base of doing so is shown in Table 2 which is set out in the Exempt Appendix to this report.

5.11 This response incorporates information from the Corporate Finance Manager of the Environmental Services Directorate.

6. Call-In Procedure Rules

6.1 The rules governing the Call-In procedure are set out in Part I.3 of the Council's Constitution. Once a Call-In request has been validated and notified to the Chair of Overview and Scrutiny Committee (OSC), the Committee must meet within the next 10 working days to decide what action to take. In the meantime, all action to implement the original decision is suspended.

6.2 The Monitoring Officer will prepare a report to advise OSC whether or not the original decision was within the Council's policy framework. OSC Members must have regard to that report and any advice from the Monitoring Officer but Members themselves make the eventual determination as to whether the original decision was, in fact, within the policy framework.

6.3 If OSC Members determine that the original decision was within the policy framework, the Committee has three options:

- (i) not to take any further action, in which case the original decision is implemented immediately
- (ii) to refer the original decision back to the decision taker, in this case the Procurement Committee. If this option is followed, the Procurement Committee must meet within the next 5 working days to reconsider its decision in the light of the views expressed by OSC
- (iii) to refer the original decision on to full Council. If this option is followed, full Council must meet within the next 10 working days to consider the decision. Full Council must either decide, itself, to take no further action and allow the decision to be implemented immediately or it must refer the decision back to Procurement Committee.

6.4 If OSC Members determine that the original decision was outside the policy framework, the Committee must refer the matter back to the Procurement Committee with a request to reconsider it on the grounds that it is incompatible with the policy framework.

6.5 In that event, the Procurement Committee would have two options:

- (i) to amend the decision in line with OSC's determination, in which case the amended decision is implemented immediately
- (ii) to re-affirm the original decision in which case the matter is referred to a meeting of full Council within the next 10 working days.

7. Recommendations

7.1 That Members note the advice of the Monitoring Officer that the decision taken by The Executive was inside the Council's policy framework.

8. Use of Appendices / Tables / Photographs

8.1 The Exempt Appendix to this report contains:

Table 1 – Cost over base of continuing to use RWS until 2009 on their stated terms

Table 2 – Cost over base of running the service in-house until 2009.

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

Document is exempt

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Report Title: **Waste Management Report on the Call in of a Decision taken by The Executive on 25th July 2006 recorded at minute TEX 61**

Forward plan reference number (if applicable): N/A

Report of: **Michael McNicholas, Acting Head of Waste Management**

Wards(s) affected: **All**

Report for: **Consideration by Overview and Scrutiny Committee**

1. Purpose

- 1.1 To respond to matters raised in the call in of the report titled 'Recycling Service', other than those that relate to Council policy or budget framework, that was presented to The Executive on 25th July 2006.

2. Recommendation

- 2.1 That Members note the responses to the matters raised in the call in.

Report Authorised by: **Stephen McDonnell, Assistant Director Streetscene**



Contact Officer: **Michael McNicholas, Acting Head of Waste Management**

Tel: 020 8489 5661

e-mail: michael.mcnicholas@haringey.gov.uk

3. Local Government (Access to Information) Act 1985

- 3.1 The following background papers were used in the preparation of this report:

The report on the Recycling Service to The Executive meeting on 25 July 2006

4. Matters Raised in the Call-in

- 4.1 The Call-in states that the report is deficient. It also states that the situation is disputed by the contractor and the Terms of Business cited are the subject of a proposal for Arbitration under the contractor's contract with the Council.
- 4.2 The Call-in states that Council officers failed to mention the dispute and Arbitration, other than as part of the response to representations from the contractor and that no explanation of the significance of the contractor's call for arbitration was reported.
- 4.3 The Call-in states that the Council appears to be in breach of its contractual obligations presenting further risk.
- 4.4 The Call-in states that the decision has exposed the Council to unacceptable and as yet unquantified risks of service disruption and additional costs.
- 4.5 The Call-in suggests a changed recommendation 2 that negotiations with RWS be completed and full consideration is given to extend the contract with RWS to the end of 2009.
- 4.5 Finally, the Call-in suggests a new recommendation that an analysis for all the options for the provision of the service be carried out so that an option may be recommended which maximises environmental outcomes, maximises grants and other financial support and minimises service delivery and financial risks.

5. Waste Management Response - Contractor's Call for Arbitration

- 5.1 The details of RWS Terms of Business for extending the contract are laid down in the Recycling Service report to Executive of 25th July 2006 under paragraph 4.1. The Council's offer for extending the contract is laid down in the report under paragraph 4.3. Therefore, the relative positions of RWS and the Council over the issue of costs for extending the contract, and the scale of the difference between the parties, has been clearly identified in the report.
- 5.2 RWS did wish to raise a dispute over the issue of the level of margin and did make a proposal to refer the issue for arbitration. Under the terms of the contract, any referral of a dispute to arbitration is meant to be a joint referral. The Council was unwilling to enter into arbitration for a number of reasons. These are as follows:
- the scale of the difference between RWS and the Council meant that it would have been unlikely that any level of margin set by this process would have been satisfactory to both parties;
 - the offer made by the Council was the maximum the Council could sustain within existing budgets;
 - in percentage terms the value of the offer made by the Council for the extended contract was close to the level of margin within the agreed budget for 2005/06 and it was considered that this should have been acceptable to RWS, especially since the agreed base budget for the extended contract accounted for all known areas of financial risk including sickness, annual holiday and Bank Holiday costs;

- RWS did not provide a satisfactory explanation for requiring such a substantial increase in level of margin for the extended contract; and
- it would be a costly process to embark upon arbitration, particularly bearing in mind that the contract was due to expire on 30th September 2006.

5.3 The proposal by RWS to refer this issue to arbitration was not mentioned in the report. For the reasons outlined in paragraph 5.2 above Officers did not believe that arbitration was an appropriate process to settle the issue of the level of margin. Furthermore, the main recommendation of the report was for the contract to be terminated and brought in house and there would have been little prospect for matters referred to arbitration to have been resolved before the contract ended.

6. Waste Management Response – Alleged Breach of Contractual Obligations

6.1 The Call-in has alleged that the Council appears to be in breach of its contractual obligations, presenting further risk, but it does not explain how this is so or what the further risks may be. The Council has acted reasonably in its dealings with RWS despite the unexpected and significant increase in the level of margin requested in their Terms of Business. The Council has continued to pay RWS at a level comparable with that agreed in the previous financial year. In these circumstances it is unlikely the Council would be deemed to be in breach of its contractual obligations.

6.2 Regarding the decision to terminate the contract, the contract contains a clause allowing either party to take this decision. The termination clause allows the parties to terminate the contract with one month's notice on a no fault basis. Therefore, there is no breach of contractual obligations in relation to this decision.

7. Waste Management Response – Unacceptable and unquantified risks of service disruption and additional costs

7.1 The Council has a very clear understanding of the costs and management requirements associated with running recycling services. The services are provided not only by RWS but also by Haringey Accord Ltd. The sums relating to these services providers relate in the main only to the cost of labour. There is a significant level of expenditure and operational management relating to the provision of recycling services which the Council already controls directly, for instance provision of depot, vehicles and plant and the arrangements for recyclables after collection. The additional costs relating to running the service in-house are well understood and have been quantified in the original report. There is only a very small risk that previously unknown or unrecognised costs will become apparent after the service comes in house and this would only happen if such costs had not been made clear to the Council by RWS during budget negotiations.

7.2 Officers have a very good working relationship with the RWS management team and staff. The same team and staff would continue to provide services post-termination and there is no reason to believe that they will perform any less well as part of an in-house service provided that transfer arrangements are

handled with care and sensitivity. RWS staff transferring to the Council will benefit from being able to join the Local Government Pension Scheme which is an improvement in their terms and conditions compared to the RWS pension scheme. The Council has already established regular meetings between key internal teams and RWS management so that the transfer is as smooth as possible.

8. Waste Management Response – Changed Recommendation 2, Settle Terms of Business for 2005/06 and consider extension to end of 2009 with RWS

8.1 The Council has already paid RWS at the agreed budget level for the financial year 2005/06. The level of margin in the sums paid to RWS since April 2006 is in keeping with 2005/06 although, in real terms, this provides better value to RWS as it includes additional sickness and annual cover and built in Bank Holiday cover.

8.2 The Council has received legal advice stating that the contract cannot be extended any further than it has already been without breaching EU Procurement Regulations.

9. Waste Management Response – New Recommendation 3, Analysis of all the options for the provision of the service.

9.1 There is insufficient time to re-tender the recycling contract prior to the expiry of the extended contract with RWS on 30th September 2006. Therefore, given that the contract with RWS cannot be extended further, in practical terms the only option available to the Council is to bring the service in-house.

9.2 As the changed recommendation 2 cannot be implemented due to legal advice regarding procurement, it follows that recommendation 3 is not available. Notwithstanding, once the service is being provided in-house the Council will be able to consider all of the different options for future service provision to achieve the optimum outcomes for the Council and its residents and to meet targets laid down by Government. These options are described more fully in the original report to The Executive.

10. Comments of the Head of Legal Services

10.1 The Head of Legal Services advises that the contract for collection of recycling materials is a Part A service under the Public Contracts Regulations 2006 (the Regulations). As such, if the value of any contract (including a proposed contract extension) is over the threshold set by the Regulations (currently £144,459.00 for services) there is a requirement for the contract to be tendered in Europe using one of the procedures prescribed under the Regulations. This would also apply to any new contract for collection of recycling which the Council wished to enter into after the end of September 2006, although it does not apply to bringing the service back in-house.

10.2 Although there are some very limited exceptions to the Regulations, where tendering of services is not required, these do not apply to the current contract or to any future re-tender of the service.

11. Comments of Director of Finance

11.1 The Director of Finance has been involved in the drafting of this report and has no further comments to add.

12. Recommendation

12.1 That Members note the responses to the matters raised in the call in.

13. Use of appendices

13.1 Not applicable.

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'CALL IN' OF DECISIONS OF THE EXECUTIVE

This form is to be used for the 'calling in' of decisions of the above bodies, in accordance with the procedure set out in Section 1.3 of the Constitution.

TITLE OF MEETING	The Executive
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DATE OF MEETING	25 July 2006
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MINUTE No. AND TITLE OF ITEM	TEX 61 Recycling Service
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1. Reason for Call-In/Is it claimed to be outside the policy or budget framework?

The decision may be outside the policy framework, because the decision to bring the service in-house is contrary to Council policy to work in partnership with the voluntary sector and has the potential to adversely affect service delivery.

The Report is deficient. The situation as described is disputed by the contractor and the Terms of Business cited are the subject of a proposal for Arbitration under the contractor's contract with the Council. Council officers failed to mention the dispute and arbitration, except in passing in a last-minute laid round paper in response to the contractor's solicitors' representations. No explanation of the significance of the contractor's call for arbitration was reported.

The Executive omitted to question officers about the dispute although the Council appears to be in breach of its contractual obligations, presenting further risk.

The decision may also be outside the policy framework because no environmental or broader sustainability (including social impacts) assessment was carried out of the options.

The decision is outside the budget framework, because the decision to bring the service in-house involves unquantified risks to the budget including adverse effects on the qualifications for grants towards the service.

2. Variation of Action Proposed

This decision has exposed the council to unacceptable and as yet unquantified risks of service disruption and additional costs. We request

that the Overview and Scrutiny Committee refers the decision back to the Executive and recommends that it amends its resolutions on this item as follows:

2. Delete and insert "That negotiations with Recycling Works Services to settle terms of business for 2005/06 and 2006 be completed, and that full consideration is given to the option of the extension with RWS to the end of 2009 consistent with the recommendation (3) below.

Add new recommendation:

3. That the analysis of all the financial, service delivery, environmental and social outcomes, and risk factors for all the options for the provision of this service be carried out; and the options for recycling service delivery re-evaluated taking full account of these performance measures, including the open book accounting provisions of the existing contract, so that an option may be recommended which maximises environmental and social outcomes, maximises grants and other financial support and minimises service delivery and financial risks.

Signed:

Councillor: *Bob Hare* (Please print name): *K.V.R. HARE*

Countersigned:

1. Councillor: *J. Oakes* (Please print name): *JOHN L. OAKES*

2. Councillor: *Bob Aitken* (Please print name): *BOB AITKEN*

3. Councillor: *Susan Oatway* (Please print name): *SUSAN OATWAY*

4. Councillor: *Gail Engert* (Please print name): *GAIL ENGERT*

Date Submitted:

Date Received : *2 August 2006 @ 16.27HRS*
(to be completed by the Principal Support Manager (Council))

[Signature]

Notes:

1. Please send this form to:
Clifford Hart (on behalf of the Proper Officer)
Principal Support Manager (Council)
7th Floor
River Park House
225 High Road, Wood Green, London N22 8HQ

Fax: 020 8489 2660
2. This form must be received by the Principal Support Manager (Council) by 10.00 a.m. on the fifth working day following publication of the minutes.
3. The proper officer will forward all timely and proper call-in requests to the Chair of the Overview and Scrutiny Committee and notify the decision taker and the relevant Director.
4. A decision will be implemented after the expiry of ten working days following the Chair of Overview and Scrutiny Committee's receipt of a call-in request, unless a meeting of the Overview and Scrutiny Committee takes place during the 10 day period.
5. If a call-in request claims that a decision is contrary to the policy or budget framework, the Proper Officer will forward the call-in requests to the Monitoring Officer and /or Chief Financial Officer for a report to be prepared for the Overview and Scrutiny Committee advising whether the decision does fall outside the policy or budget framework.

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**MINUTES OF THE EXECUTIVE
TUESDAY, 25 JULY 2006**

Councillors *Meehan (Chair), *Amin, *Basu, *Canver, *Diakides, *Haley, *B. Harris,
*Mallett, Reith and Santry.

*Present

Also Present: Councillors Bull, Dogus, Engert, Hoban, Jones and Newton.

MINUTE NO.	SUBJECT/DECISION	ACTION BY
TEX42.	<p>APOLOGIES FOR ABSENCE (Agenda Item 1):</p> <p>Apologies for absence were received from Cllr Santry, who was represented by Cllr Jones and from Cllr Reith, who was represented by Cllr Dogus. Apologies for lateness were received from Cllr Meehan. Councillor Canver took the Chair until Cllr Meehan arrived.</p>	
TEX43.	<p>DECLARATIONS OF INTEREST (Agenda Item 3):</p> <p>The following declarations were made –</p> <p>Councillor Dogus in respect of item 15 - Broadwater Farm Community Centre. (See Minute TEX 52).</p> <p>Cllr Bull in respect of item 18 - Scrutiny Review of Mobile Phone Masts. (See Minute TEX 55).</p>	HMS
TEX44.	<p>MINUTES (Agenda Item 4):</p> <p>RESOLVED</p> <p>That the minutes of the meeting held on 4 July be approved and signed.</p>	HMS
TEX45.	<p>PROGRAMME HIGHLIGHT REPORT - MAY 2006 (Report of the Chief Executive - Agenda Item 7):</p> <p>RESOLVED</p> <p>That the report be noted.</p>	
TEX46.	<p>PROPOSAL FOR NEW HIGH LEVEL STRUCTURE FOR INFORMATION TECHNOLOGY SERVICES (Report of the Chief Executive - Agenda Item 8):</p> <p>We noted that the General Purposes Committee on 19 July had approved the report insofar as it related to them. We also noted that advice received from the Head of ICT and e-Government Strategy at the London Borough of Waltham Forest would be subject to further Member input via both the General Purposes Committee and the Executive and</p>	

**MINUTES OF THE EXECUTIVE
TUESDAY, 25 JULY 2006**

<p>TEX49.</p>	<p>CAPITAL STRATEGY 2006-10 (Report of the Acting Director of Finance - Agenda Item 11):</p> <p>RESOLVED</p> <p>That the Capital Strategy for 2006-2011 be approved with more emphasis in future reports to accessing special funding regimes.</p>	<p>DF</p>
<p>TEX50.</p>	<p>SCHOOL PLACE PLANNING ANNUAL REPORT (Report of the Director of the Children's Service - Agenda Item 12):</p> <p>RESOLVED</p> <p>1) That approval be granted to the working priorities as set out in paragraph 15.1 of the interleaved report and a further report on the recommendations arising from this work be submitted in July 2007.</p> <p>2) That the new reporting arrangements for statutory consultations be endorsed.</p> <p>3) To receive a further annual report on School Places in July 2007.</p>	<p>DCS</p> <p>DCS</p> <p>DCS</p>
<p>TEX51.</p>	<p>EXECUTIVE RESPONSE TO SCRUTINY REVIEW OF TEENAGE PREGNANCY (Report of the Director of the Children's Service - Agenda Item 13):</p> <p>We noted that the Primary Care Trust were intending to reduce the services from Family Planning clinics and concern was expressed that this might affect provision for teenagers. We asked that officers of the Children's Service and of Social Services seek adjustments that would ensure appropriate alternative provision was in place for teenagers. Disquiet was also expressed about proposed reductions in services at St. Anne's Hospital and we asked that officers also take account of the implications of these proposals in the update which was to be submitted to us in the autumn.</p> <p>RESOLVED</p> <p>1) That the work being undertaken to implement the recommendations of the Scrutiny Review be noted.</p> <p>2) That a further report be submitted on the implications of the PCT funding reductions and their implications for the teenage pregnancy strategy.</p>	<p>DCS</p>
<p>TEX52.</p>	<p>BROADWATER FARM COMMUNITY CENTRE - FEES AND CHARGES (Report of the Assistant Chief Executive (Access) - Agenda Item 15):</p> <p>Councillor Dogus declared a personal interest in respect of this item by</p>	

**MINUTES OF THE EXECUTIVE
TUESDAY, 25 JULY 2006**

	<p>virtue of being a resident of Broadwater Farm estate.</p> <p>Having noted that the Ward Councillors had been consulted, we</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1) That the increased hire charges for the main hall and Jazz Café at the Broadwater Farm Community Centre, as set out in paragraph 13.1 of the interleaved report, be agreed to take effect from 1 September 2006. 2) That the community concessionary rate as set out in paragraph 13.1 of the interleaved report be agreed, subject to a review and further report in six months time. 	<p>ACE-A</p> <p>ACE-A</p>
TEX53.	<p>BRUCE CASTLE MUSEUM ACCREDITATION PROGRAMME (Report of the Assistant Chief Executive (Access) - Agenda Item 16):</p> <p>RESOLVED</p> <p>That consideration of the report together with the revised Acquisitions and Disposal Policy incorporating a policy statement be deferred to our meeting on 12 September 2006.</p>	<p>ACE-A HMS</p>
TEX54.	<p>EXECUTIVE RESPONSE TO SCRUTINY REVIEW OF REPAIRS TO HIGHWAYS (Report of the Director of Environmental Services - Agenda Item 17):</p> <p>We noted that in respect of recommendation 9 in the Review in relation to exploring strategies involving utility companies on a co-ordinated and planned approach to repairs the new Traffic Management Act empowered local authorities to dictate such an arrangement.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1) That approval be granted to the response to the Scrutiny Review of Repairs to Highways and Footpaths. 2) That the agreed recommendations be incorporated within the Streetscene Business Plan for 2007/8 and that progress be reported at regular intervals to the Environment Scrutiny Panel. 	<p>D.Env</p> <p>D.Env</p>
TEX55.	<p>EXECUTIVE RESPONSE TO SCRUTINY REVIEW OF MOBILE PHONE MAST POLICY (Report of the Director of Environmental Services - Agenda Item 18):</p> <p>Cllr Bull declared an interest in this matter by virtue of his employment with a mobile phone company.</p> <p>We noted that a Motion had been passed by the Council at it's meeting on 14 November 2005 concerning the siting of mobile phone masts and asked that officers provide all Members of the Executive with an update</p>	<p>D.Env HMS</p>

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	<p>of the action taken.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1) That the response to the Scrutiny Review of Mobile Phone Masts be approved. 2) That action be taken on the individual recommendations by the relevant officers in the Environment Directorate, or in two cases, by the Director of Finance or the District Valuer. 	<p>D.Env</p> <p>D.Env DF</p>
TEX56.	<p>CHANGES TO TENANCY AGREEMENT (Report of the Director of Social Services - Agenda Item 19):</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1) That the tenant's comments in response to the notice of intention to vary the tenancy agreement be noted. 2) That approval be granted to the amendments to the tenancy agreement as set out in section 8.1 of the interleaved report. 3) That approval be granted to the final proposed new tenancy agreement as set out in Appendix 3 of the interleaved report. 	<p>DSS</p> <p>DSS</p>
TEX57.	<p>HOMES FOR HARINGEY BID FOR DECENT HOMES FUNDING (Report of the Director of Social Services - Agenda Item 20):</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1) That approval be granted to Homes for Haringey to negotiate the decent homes deadline with the Department for Communities and Local Government. 2) That the final bid document be agreed by the Director of Social Services, the Executive Member for Housing and the Chair of the Homes for Haringey Board 	<p>DSS</p> <p>DSS</p>
TEX58.	<p>URGENT ACTIONS TAKEN IN CONSULTATION WITH THE LEADER OR EXECUTIVE MEMBERS (Report of the Chief Executive - Agenda Item 21):</p> <p>We noted that the decision taken had been rescinded and was the subject of a report later on the agenda.</p> <p>RESOLVED</p> <p>That the report be noted.</p>	
TEX59.	<p>DELEGATED DECISIONS AND SIGNIFICANT ACTIONS (Report of the Chief Executive - Agenda Item 22):</p>	

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	<p>RESOLVED</p> <p>That the report be noted and any necessary action taken.</p>	
TEX60.	<p>MINUTES OF SUB BODIES (Agenda Item 23):</p> <p>RESOLVED</p> <p>That the minutes of the Executive Procurement Committee held on 26 June 2006 be noted and any necessary action approved.</p>	
TEX61.	<p>RECYCLING SERVICE (Report of the Director of Environmental Services - Agenda Item 24):</p> <p>Appendices to this report were the subject of a motion to exclude the press and public from the meeting as they contained exempt information relation to the business or financial affairs of any particular person (including the Authority holding that information).</p> <p>With the consent of our Chair further exempt appendices in the form of representations from solicitors acting on behalf of the contractor, a response by the Director of Environmental Services to those representations and a further letter from the solicitors to the contractor were tabled.</p> <p>RESOLVED</p> <ol style="list-style-type: none"> 1) That the position concerning the progress of negotiations with RWS be noted. 2) That the recycling contract with RWS be terminated and the service be brought back in-house. 	D.Env

GEORGE MEEHAN
Chair

URGENT BUSINESS SHEET

Report Title: Recycling Service

Committee/Sub etc: The Executive

Date: 25 July 2006

The report is late because

There have been difficulties in reaching agreement with the recycling service provider over the on-going cost of the service. The timing of this situation has meant that it has not been possible to comply with deadlines set down for the forward plan.

The report is too urgent to await the next meeting because

A rapid decision on the future of the recycling service is necessary and it would be impractical to delay the decision.

The Head of Member Services concurs with the admission of this item.

Report Title: **Recycling Service**

Forward Plan reference number (if applicable): **n/a**

Report of: **Stephen McDonnell, Assistant Director Streetscene**

Wards(s) affected: **All**

Report for: **Key Decision**

1. Purpose

- 1.1 To provide an update of the negotiations with Recycling Works Services (RWS) regarding the Recycling Contract, for which an extension from 1st April 2006 to 30th September 2006 was planned, and to make recommendations for the future of the service.

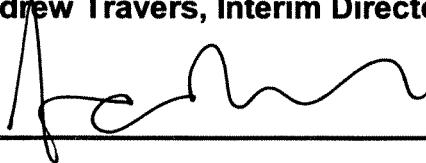
2. Introduction by Executive Member

- 2.1 The recycling collection service is one of the most high-profile and strategically important services provided by the Council. The introduction of statutory recycling targets has made it necessary for the Council to standardise the range of recycling services and materials collected, and to increase the number of households with doorstep collections or easy access to shared facilities. The Council has been able to meet targets by rolling out new services with significant levels of funding provided by successful bids to various funding bodies and mainstream funding. There is a need to review the arrangements for providing recycling services in future so that waste collection and recycling services are more integrated thereby enabling the Council to realise efficiency savings.
- 2.2 This report sets out the following:
- the strategic importance of the council's recycling collection service;
 - the inappropriateness of the current recycling contract;
 - options for the future of the service; and
 - the risks if the service is brought back in-house.

3. Recommendations

- 3.1 That the position concerning the progress of negotiations with RWS be noted.
- 3.2 That the recycling contract with RWS is terminated and that the service be brought back in-house.

Report Authorised by: **Andrew Travers, Interim Director of Environment**



Contact Officer: **Michael McNicholas, Acting Head of Waste Management**

Tel: 020 8489 5661

e-mail: michael.mcnicholas@haringey.gov.uk

4. Director of Finance Comments

Paragraphs 4.1, 4.2 and 4.3 of these comments are set out in the "exempt appendix" to this report.

4.4 If RWS cease to provide the service, the Council has two realistic options to ensure continuation of service as follows:

- negotiate with Haringey Accord Ltd to provide the service,
- run the service in-house.

4.5 The report recommends that the service is brought back in-house. This would require putting in place a number of measures relatively quickly to ensure uninterrupted service. These are outlined in the action plan attached.

4.6 However, the recommended course of action would have a significant financial implication for the Council in terms of increased pension costs. This has been estimated at £201k assuming all employees transferring to the Council join the Pension Scheme. The cost would be pro rata if only a proportion of employees decide to join. There is currently no budget provision for any net increased cost and the recommended course of action can only be approved if additional resources are identified to meet the unbudgeted cost.

4.7 Furthermore, bringing the service back in-house will void the CRED funding approved for RWS for door to door estates recycling. However, the service is looking at the possibility of bringing in an alternative estates scheme using the CRED match funding and other NRF/NDC resources.

5. Head of Legal Services Comments

5.1 The contract between the Council and RWS dated 22 April 2005 allows either party to terminate the contract by giving the other one month's written notice.

5.2 The decision to terminate a contract, is not specifically covered by Contract Standing Orders but the award would normally be dealt with by the Procurement Committee, there is no reason why the decision to terminate cannot be taken by the Executive.

5.3 Environmental Services Directorate wishes to pursue Option 4 that is to bring the service back in-house prior to possible re-tendering as required under the Public

Contracts Regulations 2006. The EU rules are not applicable where the service is brought back in house, however the EU regulations will apply to any future outsourcing of the service where the service exceeds the threshold (currently £144,459).

- 5.4 As stated in paragraph 7.3.3 and 7.3.4 of the report, adoption of Option 2, would result in a breach of the EU regulations and Option 3, would have to be explored fully whether the Council could utilise the EU negotiated procedure without advertisement. This EU procedure permits the Council to award to an existing contractor (Accord) additional work without advertising the contract, however under the EU regulations, the grounds for this procedure is very restricted.
- 5.5 The decision to take a contract back in-house is not specifically covered by Contract Standing Orders but would normally be referred to Members for decision. Since there are wider service provision aspects to this decision, going beyond procurement issues, it is appropriate that this report comes to the full Executive Meeting rather than the Executive's Procurement Committee.
- 5.6 A related but separate matter had been listed in the Forward Plan as a key decision to be taken by the Procurement Committee on 18 July. In order to permit this report coming to a later meeting of The Executive, a General Exception Notice has been issued under paragraph 11.01 in Part D.2 of the Council's Constitution. This is justified since a rapid decision on the future of the service is necessary and it would be impracticable to delay the decision further.
- 5.7 To bring the service back in-house requires that TUPE be considered in respect of staff issues. This includes a consultation with current external and Council staff who may be effected by decision to bring the service in-house. The Council must also receive from RWS "employee liability information" relating to staff.
- 5.8 The Head of Legal Services confirms that there is no legal reason preventing approval of the recommendations in this report.

6. Local Government (Access to Information) Act 1985

Integrated Waste Management and Transport Contract with Haringey Accord Ltd
Recycling Contract with Recycling Works Services
Contract Standing Orders
Procurement Procedures
Delegated powers report entitled Extension of Recycling Contract, 20th February 06

This report contains exempt and non-exempt information. The exempt information is set out in the exempt appendix and is not for publication. The exempt information is under the following category (no.3) in Schedule 12A Local Government Act 1972 as amended:

Information relating to the financial or business affairs of any particular person (including the authority holding that information) where the public interest in maintaining the exemption outweighs the public interest in disclosure.

7. Strategic Implications

7.1 Recycling Strategy

7.1.1 During the time since the original contract commenced in March 2000, the profile and importance of recycling has changed dramatically. Government policy on waste is now much more sharply focussed. The introduction of statutory recycling targets is an example of this and new, higher targets are likely to be set in the future. In providing recycling collection services Haringey must work in a wider context towards achieving the requirements of the Mayor's Waste Strategy for London and the Joint North London Waste Strategy (2005-2020). In addition, residents are now much more in tune with environmental issues and want to recycle the full range of materials at their doorstep or at user-friendly shared facilities.

7.1.2 The Council needs to bring together all of these different elements to produce a Recycling Plan that will meet current and anticipated future recycling targets until 2020. This will need to include recycling collection services that are integrated with traditional waste collection services. As more recycling collection services are rolled out, the percentage of waste recycled increases and this should lead to a fall in the amount of waste to be disposed of. As less waste is disposed of through traditional waste collection services, there should be savings recognised that can be invested back into recycling services.

7.2 Current RWS Contract

7.2.1 Since the contract commenced in March 2000, the range of recycling collection services has widened to include new and different types of collection services. At the same time there has been a significant increase in the number of households and on-street bank sites serviced by the Council. The Recycling Contract with RWS is a rigid, input-based, labour only contract without any performance targets or default/remedial procedures. The Council owns and maintains the vehicles, depot and plant used to provide the service.

7.2.2 The recycling collection service is a key component of the Council's waste management strategy in terms of the requirement to meet statutory recycling targets. It is also strategically important in the Council's relationship with residents as the service is increasingly perceived as one of the most high profile front-line services provided by the Council.

7.2.3 In view of the substantial changes to the recycling service, the need to integrate recycling with waste collection, and the greater strategic importance of the service, the current contract with RWS is no longer appropriate to meet the Council's future requirements.

7.3 Recycling Contract Options

7.3.1 The options available to the Council for future provision of recycling services are as follows:

- Option 1: continue with the current contract with RWS until October 2006 or as soon as possible thereafter when a new Recycling Contract could commence.

- Option 2: continue with the current contract with RWS until October 2009 when a new fully integrated waste management contract could commence.
- Option 3: terminate the current recycling contract with RWS and negotiate with Haringey Accord, to provide the service.
- Option 4: terminate the current recycling contract with RWS and bring the service back in house.

7.3.2 Option 1. This option is not acceptable because the only way the Council would be able to meet RWS Terms of Business would be to cut other front line services significantly or provide for an increase in the cash limit in the recycling budget. Neither of these alternatives are considered to be acceptable. In addition, the current contract is inappropriate for the Council's requirements as set out above and would, in any event, only provide a service until-October 2006.

7.3.3 Option 2. This option is not acceptable because to extend the current contract any further would potentially be in breach of EU procurement regulations and outside the Council's Contract Standing Orders.

7.3.4 Option 3. HAL already runs a limited part of the recycling collection service for the Council. HAL were asked to provide estimates for running the whole of the service in April 2005. The estimates provided were not competitive at that time and for this reason HAL may not prove to be good value for money if asked to provide estimates again. Furthermore, it will take some time to negotiate with HAL, or any other private sector company, to determine a price for providing on going recycling collection services. It is not certain that the termination notice period of one month would be sufficient to determine a price in time to guarantee continuity of service should RWS cease to provide the service. Also, the Council would need to explore the requirements of EU procurement regulations to confirm that recycling services could be varied into the Haringey Accord contract.

7.3.5 Option 4. The contract with RWS can be terminated with one month's notice by either party. If the contract was terminated the service could be brought back in house. The advantages of bringing the service back in house are that it provides the opportunity to:

- understand more fully the cost of providing the service and identify potential savings;
- review the current service delivery arrangements to determine whether efficiencies can be made;
- exercise more control over service delivery;
- exercise a greater degree of flexibility in making changes to improve services;
- conduct trials and pilot schemes more easily;
- inform the process of constructing a new, fully integrated waste management contract from December 2009; and
- consider various alternatives for the service until December 2009. These could include;
 - keeping and developing the service in-house along broadly similar lines as the existing service provision;

- keeping the service in-house but begin working towards integration with the waste collection service in partnership with Haringey Accord;
- vary the existing service into the Haringey Accord contract; or
- re-tender the existing service as a short term contract (subject to EU procurement regulations).

7.3.6 This option provides the Council with the greatest degree of flexibility to deliver the recycling services that will meet strategic aims, government targets and residents' requirements. Therefore, it is recommended that the contract with RWS is terminated and that the service be brought back in-house. In order to ensure a smooth transition to an in house service an action plan has been developed and is attached as appendix 1 (Recycling Service Continuity Plan).

8. Financial Implications

8.1 There are three main areas of risk associated with terminating the contract with RWS and bringing the service back in-house, these are:

- understanding the full costs associated with providing the service in-house;
- higher cost of providing services due to pension provision; and
- loss of estates doorstep recycling collection funding from CRED grant secured by RWS.

Paragraphs 8.2.1 and 8.2.2 are in the exempt appendix

8.2 8.3 Pension Costs

8.3.1 The main area of risk for potential increased cost in providing the service in-house, is pensions. RWS allows for a 5% employer's contribution towards its pension scheme but transferring employees will be entitled to join the Local Government Pension Scheme for which the employer's contribution rate is currently 21.2%. If all transferring employees did not decide to opt out of the LGPS this would result in an additional cost to the Council of £200,000 per annum (for details refer to appendix 2a). This potential cost could be mitigated in a number of ways, for instance:-

- not all transferring staff would necessarily want to join the LGPS;
- a review of staffing levels and overtime payments after transfer; and
- some non-wage costs currently paid to RWS could be absorbed into the Council's existing overhead costs for example:-
 - Professional, legal, accounting fees, £13,000
 - Staff recruitment costs, £10,000
 - Payroll costs £20,000

8.3.2 Whilst it may be possible to contain or absorb some of the additional cost arising from pension entitlement, it should be recognised that if the Council tenders the recycling service in future, the pension entitlement would transfer to any new service provider so this would be a cost in the longer term. This is of particular relevance given that the Council should be working towards a fully integrated waste and recycling contract from December 2009 when the Accord contract is due to expire.

8.4 CRED Funding

- 8.4.1 The other area of risk is the potential loss of a door to door estates recycling collection scheme. RWS made a successful bid to CRED to start up a two year scheme from this spring aimed at providing this service to 7,800 households. The overall value of the bid was £520,000 (over two years), with the Council and the Seven Sisters NDC providing approximately half of this sum as match funding through capital, revenue and in kind contributions. The scheme has not started yet because it would be impractical to run if RWS does not continue to be the Council's main recycling collection service provider. The CRED scheme was not taken into account when setting recycling targets. It is expected that if the contract with RWS is terminated the CRED funding will be withdrawn as the funding is only available to community organisations.
- 8.4.2 The Waste Management Service is working on alternative proposals for estates recycling, which it will present to Members in due course. Where appropriate these proposals will be devised to take advantage of any funding that may still be available through the NDC. The scheme will be aimed not only at increasing recycling on estates, but will also help the Council improve its BV 91 performance for providing doorstep or the equivalent of kerbside collections for blocks of flats.
- 9. Legal implications**
- 9.1 The adoption of Option 2, would result in a breach of the EU regulations and Option 3, would have to be explored fully whether the Council could utilise the EU negotiated procedure without advertisement. This EU procedure permits the Council to award to an existing contractor additional work without advertising the contract, however under the EU regulations, the grounds for this procedure are very restricted.
- 9.2 To bring the service back in-house requires that TUPE be considered in respect of staff issues. This includes a consultation with current external and Council staff who may be affected by the decision to bring the service in-house. The Council must also receive from RWS "employee liability information" relating to staff.
- 10. Equalities**
- 10.1 The Council seeks to provide comprehensive recycling collection services that give all residents and sections of the community the opportunity to recycle as many different materials as possible. The recommendations in this report are designed to consolidate and expand upon the range of materials recycled and increase the number of households with doorstep or near entry collection services.
- 11. Consultation**
- 11.1 There has been no public consultation regarding the recommendations in this report. Executive Members for the directorates affected by this decision have been consulted in drawing up this report.
- 12. Background**
- 12.1 The recycling contract commenced in March 2000 and was a tri-party arrangement between the Council, Finsbury Park Community Trust (FPCT) and Recycling Works Haringey Ltd (RWH). The service providers were not for profit community sector organisations. This contract expired on 31st March 2003 but continued to operate after this date under the existing terms and conditions.

- 12.2 FPCT and RWH went into receivership in April 2005 and the Council agreed to novate the existing contract to Recycling Works Services Ltd utilising the existing workforce. The contract with RWS was due to expire on 31st March 2006. However, in February 2006 it was decided the contract with RWS should be extended under delegated powers for six months to allow time for a new contract to be written and a tendering process to be undertaken.
- 12.3 Under the previous arrangements with FPCT/RWH there was no fixed budget for the service. Every expenditure decision, including very low level expenditure, had to be cleared through the Council. In order to introduce budgetary controls, within an expanding service, the Waste Management Service set a budget with the new provider, RWS, for 2005/06. The agreed budget was introduced to give responsibility to RWS to financially manage their operations and to provide a level of certainty that the costs of the service would be contained within the Council's cash limit.

Paragraphs 12.4 to 12.8 are in the Exempt Appendix

13. Conclusion

- 13.1 RWS Terms of Business for the extended contract are not acceptable to the Council on the grounds that the level of margin required cannot be sustained within the budget available. In addition, the contract with RWS is labour only, does not contain any recycling targets or remedial powers, and does not meet the long term strategic requirements for recycling or allow for integration of services. By bringing the service in-house the Council will be in a better position to consider a wide range of options for the future to address these issues.

14. Use of appendices

Exempt Appendix

- | | | |
|-------------|---|---|
| Appendix 1 | - | Recycling Service Continuity Action Plan |
| Appendix 2a | - | Calculation of cost of RWS service |
| Appendix 2b | - | Deployment of RWS staff |
| Appendix 3 | - | Letter dated 21 st June 2006 from Chair of RWS to the Leader (exempt appendix) |

Recycling Service Report, Appendix 1 - Recycling Service Continuity Plan

	Activity	Person responsible	Completion date
1.	<p>Seek advice from Legal Service that Haringey is permitted to run in-house service.</p> <ul style="list-style-type: none"> Initial advice from the Legal Service suggests that Haringey can run the service in-house for an interim period. This option may be undertaken if the Council decides not to enter a negotiated process with HAL (as described in the table above) or if the price from HAL is considered not to be good value for money compared to an in-house service. Should RWS withdraw from the Recycling Contract, confirmation of the initial advice to be sought from Legal Service to ensure that Haringey would be entitled to run an in-house service. 	Michael McNicholas/ Margaret O'Connor	<ul style="list-style-type: none"> Initial advice from Legal Service provided 27th April 2006 Confirmation advice to be sought if/when RWS confirm withdrawal from service
2.	Subject to advice from Legal Service that in-house service can proceed, request all relevant TUPE information from RWS in order that arrangements can be made to transfer staff to Haringey on an interim basis.	Zoe Robertson/RWS	Request to RWS to be made immediately upon notification from RWS of withdrawal of service.
3.	<p>Notify Communications Team of RWS withdrawing from Recycling Contract.</p> <ul style="list-style-type: none"> Prepare press release to explain that the service arrangements will be changing and what the Council is doing to ensure continuity of service. 	Zoe Robertson	Communications Team to be notified as early as possible to allow preparation of press releases and/or to be ready to respond in case of media enquiries if/when RWS withdraw from the Recycling Contract
4.	Seek approval from Director/Lead Member to bring service in-house on an interim basis.	Michael McNicholas/Stephen McDonnell	Date dependent upon notice period given by RWS (if any) and time required by HAL to provide price.
5.	<p>Notify internal council teams/services directly impacted by bringing service in-house in order that required actions by them can proceed. Namely:</p> <ul style="list-style-type: none"> Legal Service, to close down arrangements with RWS and to ensure that outstanding liabilities of RWS are appropriately dealt with by RWS. To ensure that the Council's obligations concerning bringing the service in house are met and that the appropriate authorities are notified. 	Zoe Robertson	Immediately upon confirmation from RWS of withdrawal from Recycling Contract

	<ul style="list-style-type: none"> Finance Service, for new Cost Centre Codes and budget to be set up. Personnel Service, for incoming staff to be registered in personnel files and for details of posts, salaries and incoming staff to be set up on SAP system. Payroll Service, for arrangements to be made to pay incoming staff. 			
6.	<p>Undertake consultation with RWS staff both directly and through unions.</p> <ul style="list-style-type: none"> Consult with trade unions concerning on-going options being considered by the Council. Ensure that RWS are keeping staff appraised of the options being considered by the Council to provide continuity of service and employment. Establish lines of communication for staff and unions to the council. 	Zoe Robertson	On-going once RWS confirm withdrawal from Recycling Contract	
7.	<p>Allocate one officer from Recycling Team to work on site at Western Road on a day to day basis.</p> <ul style="list-style-type: none"> Depot presence required to ensure continuity of service whilst options are explored and to provide reassurance to staff at a time of change. 	Zoe Robertson	On-going once RWS confirm withdrawal from Recycling Contract	
8.	Carry out comprehensive monitoring of Recycling Service throughout change process.	Michael McNicholas/Zoe Robertson	Daily monitoring to be undertaken throughout process to ensure continuity of service standards and schedules.	
9.	<p>Identify 3rd or 4th Tier Officer to assume responsibility for overseeing the client management of the in-house service.</p> <ul style="list-style-type: none"> Weekly update reports to be produced providing details of the progress of all aspects of service provision, both in terms of front line service, support services and levels of expenditure. All non-wage expenditure decisions to be approved by the officer responsible. 	Michael McNicholas/Zoe Robertson	Officer to be identified immediately.	<ul style="list-style-type: none"> Weekly reports to be produced from date in-house service commences.
10.	<p>Establish Recycling In-sourcing Management Team to meet weekly, initially, to review progress of in-house service.</p> <ul style="list-style-type: none"> Team members to be drawn from Recycling Service, Finance Service, Personnel Service, Payroll Service, In-house Service Manager (formerly RWS), Legal Service. <p>Constitution of Team and frequency of meeting to be adjusted over time as appropriate.</p>	Michael McNicholas/Zoe Robertson		

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

Document is exempt

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