

NOTICE OF MEETING

Cabinet Member Signing

THURSDAY, 16TH AUGUST, 2012 at 11:00 HRS – COMMITTEE ROOM 1, CIVIC CENTRE, HIGH ROAD, WOOD GREEN, N22 8LE.

MEMBERS: Councillor Claire Kober, Leader of the Council.

AGENDA

1. URGENT BUSINESS

The Cabinet Member will advise of any items of Urgent Business that they have accepted.

2. DECLARATIONS OF INTEREST

A Member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A Member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct.

3. DEPUTATIONS/PETITIONS/PRESENTATIONS/QUESTIONS

To consider any requests received in accordance with the Council's Constitution.

4. INTER AUTHORITY AGREEMENT (IN RELATION TO NORTH LONDON WASTE AUTHORITY PROCUREMENT OF WASTE DISPOSAL SERVICES) (PAGES 1 - 150)

(Report of the Director of Place and Sustainability). To seek agreement for the Council to enter into the Inter Authority Agreement with respect to the North London Waste Authority procurement of waste treatment and disposal services including the transfer of the Council's Household Waste and Recycling Centres to the North London Waste Authority.

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Haringey Council

Report for:	Leader of the Council (Cabinet Member Signing) 16 th August 2012	Item Number:	
Title:	Inter Authority Agreement (in relation to North London Waste Authority procurement of waste disposal services)		
Report Authorised by:	Lyn Garner, Director of Place & Sustainability		
Lead Officer:	Tom Hemming, Waste & Communications Manager Email: tom.hemming@haringey.gov.uk Tel: x. 5625		
Ward(s) affected: All	Report for Key/Non Key Decisions: Key Decision		

1. Describe the issue under consideration

- 1.1 On July 19th 2011 Cabinet agreed in principle to enter into an Inter Authority Agreement (IAA) between the North London Waste Authority (NLWA) and the six other north London Constituent Borough Councils.
- 1.2 The July 2011 Cabinet report did not seek approval to formally execute the IAA as the document was subject to the negotiation of final terms between the signatory authorities. Cabinet resolved that following the agreement of the final terms by the parties the Leader of the Council will consider the decision to execute the IAA on behalf of the Council.
- 1.3 As per the agreed recommendations in the July 2011 Cabinet report, several key decisions are to be made by the Leader as part of the execution of the IAA, as noted below. This report considers the key issues and risks associated with these decisions.
 - Amendments to the draft IAA agreed in-principle, notably the finalisation of the Cost Recovery Mechanism (Schedule 4);
 - Commitments to collection systems and binding tonnage forecasts over the duration of the NLWA contracts;



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- The decision on the transfer of the Council's two Household Waste Recycling Centres (HWRCs) to NLWA.

- 1.4 The July 2011 Cabinet report provides full details of the rationale for and main principles of the IAA that each party has signed up to in-principle. These are also summarised in section 5 of this report.
- 1.5 The IAA will govern the interface between the signatory authorities with regards waste management over the life of the NLWA's future waste disposal and treatment contracts. The contracts, which are expected to last around 30 years with a combined value of between £3-4 billion, are the subject of a current procurement process, due to reach financial close in mid-2013.
- 1.6 Following a process of negotiation between the parties and subject to individual authorities' approval processes, the IAA is expected to be executed by each party within the coming weeks, upon completion of which the IAA will come into effect and become legally binding.

2. Leader introduction

- 2.1 Cabinet agreed in-principle that Haringey would enter the Inter Authority Agreement on July 19th 2011 subject to agreement to the final terms. This report now recommends execution of the IAA and provides the details of the areas of development since the in-principle agreement. The version of the IAA attached at Appendix A to the report is the final form of the IAA subject to some minor changes that may be needed and may be agreed by the Director of Place and Sustainability.

3. Recommendations

- 3.1. The Leader of the Council is recommended:

- (a) To agree the final form of the IAA executed by the Council be in terms substantially the same as the form of IAA attached to this report at Appendix A and in accordance with Section 4 of the Report, with any final minor changes to the version of the IAA attached at Appendix A to be agreed by the Director of Place & Sustainability following consultation with the Leader; and accordingly
- (b) To approve execution of the IAA by the Director of Place & Sustainability as the Authorised Representative.

- 3.2. The Leader of the Council is recommended to approve Schedule 1 Part A2 and Schedule 2 Part B of the IAA (contained within the draft IAA at Appendix A) providing details of the waste collection system and tonnage forecasts, to reflect anticipated increases in recycling rates and changes to waste levels over the duration of the NLWA contracts.



3.3. The Leader of the Council is recommended to agree the transfer of the Council's Household Waste & Recycling Centres (HWRCs) to the NLWA, proposed to be from 1st November 2012, on the following basis:

- i. For Park View Road, to grant a lease to the NLWA from 1st November 2012 that is excluded from the protection of sections 24-28 of the Landlord and Tenant Act 1954 and on a peppercorn basis, the detailed terms to be agreed by the Director of Place and Sustainability in consultation with the Head of Legal Services;
- ii. For Hornsey High Street, to grant a short term lease to the NLWA from 1st November 2012 that is excluded from the protection of sections 24-28 of the Landlord and Tenant Act 1954 and on a peppercorn basis, to be terminated by the Council when required so as to allow the Council to give vacant possession of the site to the buyer in accordance with its contractual obligations. The terms of the lease to be agreed by the Director of Place and Sustainability in consultation with the Head of Legal Services.

4. Other options considered

4.1. Cabinet on July 19th 2011 agreed to an in-principle IAA option. This section of the report provides detailed information to support the rationale for the recommendations at 3.1 to 3.3. It also demonstrates how risks to the Council have been mitigated following negotiations that have taken place between NLWA and the Constituent Boroughs in determining the final form of the IAA. The details of the three key areas covered by the report are set out under the following headings:

- i. Key changes to the final IAA and approval for execution (recommendations at 3.1);
- ii. Waste Collection System and Tonnage Forecast Commitments (Schedule 1 Part A2 and Schedule 2 Part B of the IAA) (recommendation at 3.2);
- iii. Transfer of the Council's Household Waste & Recycling Centres (HWRCs) to the NLWA (recommendation at 3.3).

4.2. Key changes to the final IAA and approval for execution (recommendation at paragraph 3.1)

4.3. The July 19th 2011 Cabinet Report established that an IAA signed by all eight authorities is essential to the NLWA procurement to maximise the prospects of achieving the most beneficial solution in terms of both value for money and environmental outcomes, and minimise the risk of additional costs, which would ultimately fall to the Constituent Boroughs.



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- 4.4. Since in-principle agreement by boroughs the IAA has been subject to a number of changes agreed multilaterally. These changes fall into three broad categories:
1. Changes to provide the Boroughs with greater flexibilities to make decisions and/or exercise more control over the NLWA's procurement/contract management process that have been requested by Boroughs. Many of the more significant changes fall into this category.
 2. Clarifications and amendments to make the IAA clearer and more 'fit-for – purpose' – notably there have been a number of changes of this type to Schedule 4 which sets out how the constituent Boroughs will pay for NLWA's costs.
 3. Additional obligations or changes to previously existing obligations on the part of either NLWA, the Boroughs or all parties. All of these changes are minor in scope and effect.
- 4.5. Council legal, finance, property and technical officers have been closely involved with the ongoing negotiation of the terms of the IAA and are satisfied that the amendments made since in-principle agreement by Cabinet reflect the interests of the Council, in the context of a multi-authority agreement, and given that the NLWA contracts that the IAA is designed to mirror are still evolving as the procurement progresses.
- 4.6. A key function of the IAA remains to provide certainty to NLWA's bidders on the types and quantities of waste that will be delivered over the duration of the contract. In addition, terms which give effect to other key principles of the IAA that were agreed as part of the July 19th 2011 Cabinet report have been subject to development. The key areas that have undergone development are summarised below:
- (a) Confirmation of the Cost Recovery Mechanism (IAA Clause 16/Schedule 4) between NLWA and the Boroughs, without which the default statutory levying system would continue. The mechanism will put into effect the principles already agreed by Boroughs, namely the more equitable distribution of financial obligations (ensuring Boroughs are directly responsible for the costs of their activities), and incentivising recycling over more expensive residual waste disposal;
 - (b) Clarification of the system for apportioning liabilities as a result of Boroughs under or over delivering against tonnage forecasts (IAA Clause 10);
 - (c) Establishment of an approach to the NLWA procurement which will effectively deliver Boroughs' preferred waste delivery points (IAA Clause 8);



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(d) Establishment of an approach to enable Boroughs to make HWRC transfer decisions on the basis of bid information and assessment of VfM, and ensure consistent terms of transfer (IAA Clause 11/Schedule 5).

4.7. On the basis of the above there is no reason to consider that any other option should be considered in relation to the recommendations at paragraph 3.1.

4.8. A full description of these key developments and other, minor changes made since the draft of the IAA upon which the July 19th 2011 Cabinet report was based, is contained in Appendix B. The IAA document is provided as Appendix A. As noted this version is the final form of the IAA subject to some minor changes that may be needed, which the report recommends be agreed by the Director of Place and Sustainability.

4.9. Waste Collection System and Tonnage Forecast Commitments (recommendation at 3.2)

4.10. The July 19th 2011 Cabinet Report set out the requirement for Boroughs to provide tonnage forecasts reflective of collection systems and projected recycling performance over the contract period, which upon execution of the IAA will become binding. The Boroughs' combined forecasts will provide certainty to NLWA's bidders in terms of the type and size of facilities that will need to be provided, in turn maximising the prospects of optimised solutions in terms of value for money and environmental performance.

4.11. If the quantities of specific types of waste that Boroughs deliver vary from what is forecast, there may be financial consequences for NLWA, and in turn Boroughs, as set out in the IAA, and detailed further below.

4.12. By signing the IAA with the proposed Schedule 1 Part A2 and Schedule 2 Part B (contained within the IAA document at Appendix A), the Council is confirming the following aspects of its waste collection systems, recycling performance and tonnage projections between 2013 and 2041:

- Recycling from households being delivered to NLWA in commingled (mixed) form;
- Compostable waste from households being delivered to the NLWA in the form of mixed food and green waste (noting that if green waste is delivered separately from time to time for operational reasons, separate green waste treatment arrangements will be available);
- Levels of residual waste and recycling that correspond to the achievement of a household recycling and composting rate of 42% by 2020, in line with the contractual targets attached to the Council's waste collection contract, and taking account of projected housing growth and changes to waste patterns;



- Projections of waste and recycling from non-household sources (such as street cleansing and fly-tipping) and the Borough's trade waste services will reflect the strategic objectives agreed as part of the Council's waste collection contract.

- 4.13. The proposed collection systems are based on decisions taken in the course of procuring the Council's waste collection contract (which runs until 2025, with an extension option to 2032), which assessed a range of proposals for dry and organic recycling in cost and environmental terms; in conjunction with indicative waste disposal/treatment costs made available by NLWA, based on bidder proposals at the detailed solutions stage of its procurement.
- 4.14. The tonnage forecasts are underpinned by detailed waste flow modelling undertaken by the Council's collection contractor covering the term of the Council's contract, and the associated contractual recycling targets set for each year of the contract. These include 40% in 2015 and 42% in 2020.
- 4.15. It should be noted that the projected recycling rates indicated by Schedule 2B differ to these because the scope of Haringey's tonnage forecasts under the IAA is limited to waste and recycling which (a) will be committed to the NLWA contract (i.e. the forecast excludes recycling from the Council's third party arrangements which is not in the scope of NLWA's contract, eg. reusable furniture provided to third sector partners, textiles banks); and (b) is from the borough's own direct collection arrangements, i.e. excluding tonnages from functions that NLWA delivers - waste and recycling from HWRCs (as these are expected to be under NLWA management) and the recovery of recyclable materials from bulky waste by NLWA (eg. wood, metal; which gets allocated back to Boroughs to contribute to their total recycling rates) - as tonnages from both of these sources are captured elsewhere in NLWA's wasteflow modelling and for the purposes of modelling progress towards the overall North London 50% recycling target by 2020. For this reason the IAA Schedule 2B forecast tonnages for Haringey indicate a recycling rate of 35% in 2015 and 40% in 2020, but for the avoidance of doubt the tonnages excluded from Schedule 2B will nevertheless continue to be counted towards Haringey's individual formal recycling rate calculation.
- 4.16. As detailed in the July 2011 Cabinet report, changes to Schedules 1 and 2 may be permitted over the term of the NLWA contract subject to the IAA Change Procedure (Schedule 7). Any resultant costs or savings will be the responsibility of the Borough that requested the change except where they have a wider impact in which case they will be shared fairly and equitably.
- 4.17. Notwithstanding the provisions of the Change Procedure, there are, as with any forecasts, potential risks in relation to Boroughs' tonnage projections, especially over the time period involved, principally:



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- The amount and type of waste, and associated recycling rates, could be affected by a range of factors over which local authorities have little or no control, including economic changes, waste composition (eg. decreases in food waste or newspapers), the number and type of both households and businesses, and in relation to business waste, issues such as price competitiveness with the private sector;
- A range of potential factors could favour different waste collection systems over time (such as the markets for materials or technological change).

4.18. The chief consequence of such risks relate to the Guaranteed Minimum Tonnage (GMT) mechanism in NLWA's contracts and in not diverting the anticipated amount of waste from residual waste to recycling.

4.19. In relation to the first risk, as set out in the July 2011 Cabinet report, if the tonnage of waste in a particular waste stream delivered to NLWA's contractors falls below a tonnage threshold termed the GMT, then, subject to some defined means of mitigation, NLWA could be required under its contracts to pay for the tonnage shortfall, even though this waste was not actually delivered. The streams which GMT will apply to are residual waste, commingled (mixed) recycling and mixed organic (food and green) waste. The IAA reflects confirmation from NLWA that the GMT level will be set at 70% of the Boroughs' combined forecasts. Appendix B details the GMT mechanism and how liabilities would be apportioned between Boroughs under the IAA, but in short, a borough cannot be held liable for any breach for a particular stream if it delivers tonnages above the GMT level for its own individual forecast. If it is below its own GMT it will only be liable in a scenario where the combined tonnages of the Boroughs fall below the NLWA-level GMT.

4.20. The potential effects of Haringey delivering tonnages that fall below 70% of our forecast tonnages for either commingled recycling or organic waste, in a scenario in which the overall NLWA-wide GMT is breached (i.e. other boroughs' tonnages do not compensate for our shortfall) has been modelled. The liability to Haringey in an extreme scenario in which the Council's collection contract does not lead to any improvement on current recycling tonnages (representing delivering only 65% of forecast tonnages) is limited to around £10,000 per annum in the case of commingled recycling and £40,000 per annum for organic waste, although in either case the total cost of recycling treatment to the Council will be lower by virtue of lower than forecast tonnages being delivered.

4.21. The greater risk associated with a shortfall in commingled or organic tonnages is the financial impact if waste that is not collected for recycling is consequently collected and treated as residual waste, at a higher per tonne cost. However, this is an inherent risk regardless of the IAA tonnage forecasts, that is contingent on overall recycling and waste minimisation performance as well as wider trends that drive waste arisings including packaging and consumer behaviour.



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- 4.22. Having said this, the Council is afforded a level of protection against this and the GMT risk under our own waste contract, which contains a performance management framework that places contractual requirements on the contractor to achieve recycling performance improvements.
- 4.23. For residual waste, the impact of GMT is more pronounced because of the larger tonnages involved and the higher unit costs. However, it should be noted that if tonnage levels dropped to approaching 70% of forecast there would be a major saving in budgeted disposal costs (even if the tonnage reduction is diverted to recycling facilities). Even below 70% of the forecast tonnage, this could continue to deliver savings provided that the Boroughs are not collectively breaching the 70% GMT. In a scenario in which there is a collective breach, the Boroughs below their individual GMT will pay for the corresponding shortfall as though the tonnage had been delivered, at the prevailing unit cost.
- 4.24. Transfer of the Council's Household Waste & Recycling Centres (HWRCs) to the NLWA (recommendation at 3.3)**
- 4.25. The Council currently provides two Household Waste and Recycling Centres (HWRCs), located at Park View Road, N17 and Hornsey High Street, N8, operated by our waste collection contractor. The Hornsey site is due to close in 2013 and a replacement site has been purchased by the Council at Cranford Way, N8, which will require capital investment to develop. Longer term ambitions to relocate the Park View Road site are currently on-hold.
- 4.26. The report to Cabinet on July 19th 2011 set out the in-principle benefits of HWRC transfer to NLWA, including the statutory driver behind this (in the form of the repeal of legislation - the Refuse Disposal (Amenities) Act 1972 - that formerly required Boroughs to provide such sites, whereas it is now the case that NLWA has the sole duty to ensure provision of such sites). Whilst this does not completely preclude a Borough from continuing to operate sites it does remove a firm statutory footing for doing so, and upon consideration of this and a range of factors considered below, including value for money, future recycling performance, and agreement of acceptable terms as part of the negotiation of the IAA, transfer is viewed as being in the best interests of the Council. It is proposed that Schedule 5C of the IAA is populated accordingly; the proposed date of transfer is 1st November 2012.
- 4.27. Case for Transfer – Value for Money
- 4.28. The original report noted the key risk related to confirming HWRC transfer is the costs of NLWA management of the sites through its contract, including the capital costs for development of Cranford Way. These costs are subject to the outcomes of the procurement (and as agreed by Cabinet on July 19th 2011, will be apportioned to Boroughs on the basis of Visitor Surveys).



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4.29. However, since in-principle agreement to the IAA in July 2011 NLWA has agreed that the Constituent Boroughs need an indication of future costs to enable an evaluation of the value for money implications of transfer.

4.30. Indicative prices from NLWA's bidders (that cannot be cited here due to commercial confidentiality) indicate that the HWRC network can be operated at a lower cost than is presently the case whilst achieving higher recycling rates. NLWA's specification also requires bidders to maintain or improve on current service standards such as opening hours and the range of materials recycled, as well as develop measures to control trade waste abuse and enhance marketing of the service across North London.

4.31. In terms of the capital costs for refurbishment of sites and the development of new HWRCs (including at Cranford Way), NLWA will be charged an annual revenue cost through its contract reflective of the financing required for capital works. This will be apportioned to Boroughs via the Visitor Survey system agreed. The indicative bid prices would appear to suggest the costs of capital works to develop a HWRC at Cranford Way will be lower than the cost estimates obtained by the Council.

4.32. The establishment of a new HWRC at Cranford Way will also require repairs to the jointly used access road which NLWA's bidders will price for in their final tenders. The Council will seek updates on this element of the tenders in the course of the final stage of competitive dialogue prior to submission of final tenders.

4.33. The finalised IAA retains the commitment outlined in the draft IAA agreed for NLWA to consult with and give appropriate weight to the views of the host Borough in which a HWRC is situated if any capital development, new site or site closure is proposed by NLWA. Additionally, in the process of finalising the IAA, the relevant clause has been extended to cover any proposals for formally accepting trade waste at HWRCs.

4.34. Leasing Arrangements

4.35. The July 2011 Cabinet report indicated that in line with the draft IAA, transfers will be on the basis of a lease to NLWA excluded from the protection of the Landlord and Tenant Act 1954 and on a peppercorn basis (given the charging of a market rent to NLWA would result in a pass-back of costs to Boroughs through NLWA's apportionment system and unnecessary additional administration costs).

4.36. The finalised IAA requires that leases "treat WCAs equally subject to individual site constraints...for a term that will facilitate the delivery of the Waste Services Contract (including any extensions thereto)" (where it previously referred to a standard lease). This allows for the form of individual leases to be resolved after the execution of the IAA if necessary, but ensures that terms are consistent. If



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there is a dispute around the form of the lease then this is determined through the Disputes Resolution Procedure of the IAA.

- 4.37. Notwithstanding the above, the negotiation of leasing terms for Haringey's sites has been progressed to near-completion with the input of Council Property and Legal Services, in parallel to the finalisation of the IAA.
- 4.38. The lease applying to Park View Road will have a break clause to allow for relocation of the existing site. In such a circumstance the lease obliges Boroughs to provide a suitable replacement site for NLWA to meet its agreed coverage policy (95% of residents within 2 miles of a site), and for replacement leasing arrangements to take effect before the lease for an existing site can be terminated. This ensures the provision of the service to local residents is maintained and that NLWA fulfils its statutory duty. The lease will formally note that NLWA regards Marsh Lane as a suitable site for a replacement HWRC in the event that the Ashley Road Depot is re-located to this site. Under the yield-up provisions NLWA will be obliged to yield up the premises in no worse condition than when leased.
- 4.39. In the case of the Hornsey site, short term leasing arrangements will be put in place to cover the period until site closure, expected to be in early 2013. It will stipulate a notice period in which time NLWA will have to provide vacant possession of the site, in line with the anticipated timescales for the disposal of Hornsey depot.
- 4.40. In terms of the replacement of the Hornsey site with a new site at Cranford Way, a Cabinet decision on July 19th 2011 granted authority to the Head of Corporate Property Services to dispose of the Council's freehold interest in the office/storage units at 20 and 21 Cranford Way for the best consideration reasonably obtainable, noting the linkage to the NLWA procurement. NLWA has since resolved to purchase both these units and the main plot at Cranford Way from the Council at their meeting of December 9th 2011 (subject to planning permission). In addition, each Constituent Borough has formally agreed (in Haringey's case, via a Leader signing, January 19th 2012) that the means of apportioning NLWA's borrowing costs in regard to the purchase will be apportioned in accordance with the visitor survey results from the existing Hornsey site (usage by Haringey residents being 97.9%). Corporate Property Services are currently negotiating the sale of both the main plot and Units 20 and 21 at Cranford Way with NLWA.
- 4.41. The July 2011 Cabinet report on the IAA noted that, subject to planning permission and a period of development following contract award by NLWA in 2013, a new HWRC at Cranford Way would be unlikely to open until mid-2014 at the earliest, and that depending on when the Hornsey site has to be vacated by the Council there could be a gap in the provision of a site. Given estimated dates for closure of the Hornsey site in the first half of 2013 it appears that there will be some gap in the provision of a HWRC of around one to one and a half years.



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4.42. A range of alternative services will be available to residents during this period, including the Park View Road site and other north London HWRCs, and a range of collection or bring bank services covering almost all items that are accepted at the HWRCs, including the current bulky waste collection service operated through the Council's collection contract, which provides free collections for reusable and recyclable items like furniture and domestic appliances. Smaller electrical items and textiles can be taken to the network of on-street banks across the borough. Green waste is collected weekly from the kerbside with no restrictions on the amount that can be put out by residents. The possibility of alternative services for the limited range of materials only collected at HWRCs will be considered. Additional publicity of services would be undertaken prior to site closure.

4.43. Employment Arrangements

4.44. The workforce at the Council's HWRCs is currently employed by the Council's waste collection contractor. These staff transferred from the Council under the Transfer of Undertakings Protection of Employment Regulations 2006 ("TUPE") with effect from the start of the new contract in April 2011.

4.45. At the point of transfer to NLWA the workforce will be transferred from the employment of the Council's contractor to the employment of NLWA's current contractor, London Waste Ltd. The IAA reflects that TUPE Regulations will apply to this transfer. This will ensure that the employment contract of transferring employees is protected and that transferring employees are offered a matched pension contribution scheme of 6% or more.

4.46. It is envisaged that NLWA's new contractor will acquire London Waste Ltd through a share sale upon the start of NLWA's new contract. It is understood that this will not constitute a further transfer of the staff as the employer will remain London Waste Ltd.

5. Background information

5.1. The IAA document provides a formal legally enforceable framework that covers the entire scope of the interface between the NLWA and its Constituent Boroughs, as it relates to the NLWA's proposed contracts.

5.2. The report to Cabinet of July 19th 2011 provides full details of the rationale for the IAA. These are summarised below:

- Provide certainty to bidders during the procurement process on the type and quantities of waste to be delivered to NLWA by the Constituent Boroughs over the duration of the contracts, in order to ensure the type and size of facilities built will deliver the best VfM and environmental solution and minimise the level of risk that could be priced into bids;



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- Ensure there are the means for NLWA as a single purpose authority that relies exclusively upon the levying of its Constituent Boroughs to finance it, to apportion the costs, risks, guarantees, benefits and deductions associated with the NLWA contract to the Constituent Boroughs in an equitable way, namely be means of a 'Menu Pricing' mechanism under which Boroughs pay directly for the services they use;
- Incentivise activity on the part of the Constituent Boroughs that benefits the wider partnership in achieving its strategic aims and reducing overall costs, including increasing recycling rates (towards a joint target of 50% by 2020) and pooling recyclable materials to maximise income, and set out the responsibilities of the signatory parties to each other to reduce the potential for an individual party to, by its actions, incur costs or risks for others.
- Set out how designated Household Waste & Recycling Centres (HWRCs) may be transferred to NLWA, some of the terms of transfer and how future decisions around the development of the HWRC network would be made;

5.3. The high level principles which all eight authorities committed to in agreeing to the IAA in principle are:

- That each Borough shall be responsible for its activities, in terms of the type and amount of waste and recycling it requires to be managed and the associated costs, and shall bear the cost of any losses caused by them.
- In turn NLWA shall use reasonable endeavours to minimise costs to Boroughs;
- All parties and contractors shall use reasonable endeavours to minimise waste and maximise the amount that is reused, recycled or otherwise recovered in pursuit of the North London Waste Strategy target of 50% recycling by 2020.

5.4. The Cabinet report also sets out the previous commitments entered into by the Council in relation to the IAA and the NLWA procurement, prior to the in-principle agreement to the draft IAA in July 2011. These were developed to underpin the NLWA procurement Outline Business Case (OBC) to Government for PFI credits, at the time evaluated as the minimum cost option for council taxpayers (since which time the award of credits was withdrawn by central government in 2010), and include:

- A letter accepting and acknowledging a Borough's share of the NLWA's future waste management costs (an affordability envelope, agreed by Cabinet in October 2008), subsequently revised and approved in January 2010.



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- o A Memorandum of Understanding (not legally binding), signed by the Leader after delegation by Cabinet, June 2008; and
 - o A Statement of Principles (also non-binding) containing more specific principles to be included in a future IAA (agreed by Cabinet in October 2008).
- 5.5. A further IAA-related decision was agreed by the Leader on January 19th 2012, specifically to change the system by which HWRC costs are to be levied by NLWA to the Constituent Boroughs between 2012/13 and 2016/17, in advance of the proposed charging provisions in the IAA coming into effect. This decision was taken separately due to a statutory deadline in place in order for the change to come into effect from April 2012. It essentially put in place arrangements to allow the phased transfer of HWRCs from Boroughs without causing inequitable distortions to the distribution of extra costs that will be borne by NLWA as a result of the sites transferring.

6. Comments of the Chief Finance Officer and financial implications

- 6.1 The Inter Authority Agreement (IAA) will effectively determine how costs of waste disposal are calculated for the 30 year period covered by the new contract that NLWA is currently procuring. The position is fundamentally the same as agreed at Cabinet on July 19th 2011, with the changes since then largely relating to the detail of the agreement rather than the core principles. The underlying reason for the IAA is to improve the final cost of the new contract by giving bidders greater certainty about waste levels they will be expected to deal with in future.
- 6.2. In finance terms the most significant implication of the IAA will mean that the Boroughs will pay an amount for waste disposal based on different prices for the different types of waste presented to NLWA, rather than the same rate for all waste as at present. This is logically a fairer apportionment method as the charge will now more closely relate to the cost to NLWA of dealing with that waste. In turn, this will provide an incentive to increase the amount of recycling as recyclates are cheaper to deal with than residual waste. Haringey is well placed in respect to this change as the Council's existing waste collection contract heavily incentivises increases in the recycling rate.
- 6.3. Although the different prices for the different types of waste in future are not confirmed at this point as the procurement is not complete, officers have seen initial bid prices on a confidential basis and have modelled these into the future with expected waste tonnages and concluded that the switch in charging methodology is likely to result in a small reduction in the levy payable than would have been the case if the existing methodology remained in place.
- 6.4. It is important to understand this in the overall context that waste disposal costs to Local Authorities are expected to increase sharply in the years to come. The NLWA levy is projected to increase as follows in the next few years:



Year	Forecast Levy (£000s)
2012-13	6,419
2013-14	8,989
2014-15	9,340
2015-16	9,613

- 6.5. These projections are included in the Medium Term Financial Plan (up to 2014-15) although it should be noted that most increases here are due to increasing Landfill Tax and there is likely to be a further steep increase beyond this date as the new contract begins and the cost of the new facilities is incorporated into the levy cost. Hence the provisions of the IAA will not remove this increase but will ensure that it does not increase more than it would have otherwise.
- 6.6. The IAA also allows for NLWA to charge Boroughs if certain minimum tonnages are not received, however the risk of this occurring is considered to be very low and in any case would be more than mitigated by the savings received due to reduced waste disposal charges.
- 6.7. Additionally, the revised charging arrangements will increase the accuracy of the waste charges by removing the time lag in the current system and ensuring charges more closely relate to that year's activity. This will create more certainty in the financial monitoring arrangements.
- 6.8. This report also confirms the decision to transfer the Household Waste Recycling Centres to the NLWA. These are currently run by the Council's collection contractor on behalf of the Council and provision has been made in this contract for a future transfer. The indicative costs provided by NLWA show that the Council will make a small revenue saving due to this transfer in addition to receiving a capital receipt for the sale of the Cranford Way site. The longer-term costs are subject to the outcome of the procurement but based on indicative bids this saving is likely to be sustained.

7. Head of Legal Services and legal implications

- 7.1. The Head of Legal Services notes the contents of the report.
- 7.2. The NLWA is the statutory body established pursuant to the Waste Regulation and Disposal (Authorities) Order 1985 and has responsibility for its seven constituent Boroughs which includes the London Borough of Haringey.
- 7.3. Legal representatives from each of the constituent Boroughs have been kept up to date on progress of the procurement of the new waste disposal contract, and have been negotiating the terms of the IAA with NLWA.
- 7.4. The Council has the power under section 1 of the Localism Act 2011 (general power of competence) to enter into the IAA. The earlier report to Cabinet



Haringey Council

purported to refer to the power under Section 2 of the Local Government Act 2000 (the wellbeing powers). This power has now been superseded and replaced by the general power of competence under the Localism Act 2011. The power to enter into the IAA is being exercised for the environmental wellbeing of the area.

- 7.5. The Council has the power under section 123 of the Local Government Act 1972 to grant the leases mentioned in this report and at a peppercorn rent under the General Disposals Consent 2003 as it will help secure the promotion or improvement of the economic, social or environmental well-being of its area.
- 7.6. The Leader has the power under the Council's Constitution (Article 7.1) to approve the recommendations set out in paragraph 3.
- 7.7. This is a key decision and the Directorate has confirmed it has been included on the Forward Plan.
- 7.8. The Head of Legal Services sees no legal reasons preventing the Leader from approving the recommendations set out in the report.

8. Equalities and Community Cohesion Comments

- 8.1 The July 19th 2011 Cabinet report considered the key equalities/community cohesion implications as part of in-principle agreement to the IAA, and indicated that further assessment would be undertaken if necessary, should the finalised IAA present particular issues, eg. changes to the waste collection services provided to residents and businesses. No such issues have arisen in the course of finalising the IAA – the core services residents currently receive will not change as a result of the execution of the IAA.
- 8.2 This includes the provision of HWRC services following transfer to NLWA. As part of the NLWA's contract specification, the contractor will be required to at least maintain current service standards, in terms of opening hours and the range of materials able to be recycled at the sites, and to take account of the diversity of HWRC users across North London.

9. Head of Procurement Comments

Not applicable

10. Policy Implication

- 10.1 Key policy implications are:
- 10.2 Commitment to delivering waste in specified forms and quantities which will influence the collection system in Haringey over the term of the NLWA contract.
- 10.3 Transfer of the Council's HWRCs to NLWA.



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11. Use of Appendices

Appendix A – Inter Authority Agreement (legal document)

Appendix B – Changes to the North London IAA from Draft Version at Point of In-Principle Agreement (July 19th 2011)

12. Local Government (Access to Information) Act 1985

DATED _____

- (1) North London Waste Authority
- (2) London Borough of Barnet
- (3) London Borough of Camden
- (4) London Borough of Enfield
- (5) London Borough of Hackney
- (6) London Borough of Haringey
- (7) London Borough of Islington
- (8) London Borough of Waltham Forest

Haringey Draft

Inter Authority Agreement

Andrew Maughan
Legal Adviser to the NLWA
Camden Legal Services
Contact Ursula Taylor

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Haringey Draft

THIS AGREEMENT is made on

2012

BETWEEN

- 1) North London Waste Authority of Town Hall, Judd Street, London WC1H 9JE ("the Authority");
- 2) London Borough of Barnet of North London Business Park, Oakleigh Road South, London N11 1NP ("Barnet");
- 3) London Borough of Camden of Town Hall, Judd Street, Camden, London WC1H 9JE ("Camden");
- 4) London Borough of Enfield of Civic Centre, Silver Street, Enfield, London EN1 3XA ("Enfield");
- 5) London Borough of Hackney of Town Hall, Mare Street, Hackney, London E8 1EA ("Hackney");
- 6) London Borough of Haringey of Civic Centre, High Road, Wood Green, London N22 8LE ("Haringey");
- 7) London Borough of Islington of Town Hall, Upper Street, Islington, London N1 2UD ("Islington"); and
- 8) London Borough of Waltham Forest of Town Hall, Forest Road, Walthamstow, London E17 4JF ("Waltham Forest"),

each (excluding the Authority) being a waste collection authority ("WCA") and collectively (excluding the Authority) referred to as "the WCAs".

BACKGROUND

- (A) The Authority is a joint waste disposal authority established pursuant to the Waste Regulation and Disposal (Authorities) Order 1985 ("the Order").
- (B) Each of the WCAs are waste collection authorities in their respective areas (each respective area being the "WCA Administrative Area").
- (C) Pursuant to the Order, the Authority is obliged to discharge specified waste disposal functions in its area, that being the combined area of all the WCA Collection Areas (the "Authority Administrative Area").
- (D) Under sections 48(1) and (2) of the Environmental Protection Act 1990 ("EPA"), it is the duty of each WCA to deliver for disposal all Waste which is collected by the WCA to such places as the Authority directs (with the exception of Waste for which the WCA decides to arrange to recycle).

- (E) Under section 51 of the EPA Act, the Authority is responsible for disposing of all Waste collected by the WCAs in the WCAs Administrative Areas.
- (F) Pursuant to the Joint Waste Disposal Authorities (Levies) (England) Regulations 2006 the Authority has the power to issue levies on the WCAs to meet all liabilities falling to be discharged by the Authority.
- (G) In accordance with the contract notice published in the Official Journal of the European Union on 21 April 2010, ref: 2010/S 77-115252, the Authority has or intends to enter into a Waste Services Contract and a Fuel Use Contract for the disposal and treatment of Contract Waste including Recyclable Materials.
- (H) The expected schedules to the Waste Services Contract and Fuel Use Contract at the date upon which this Agreement is executed are set out at **Schedule 11**.
- (I) The WCAs have agreed, subject to the terms of this Agreement, to support the Authority in fulfilling its responsibilities under the Waste Disposal Contracts, which will include a commitment to deliver all Contract Waste.

OPERATIVE PROVISIONS

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

Subject to the provisions of **clauses 1.3, 1.4 and 1.5** and except where the context otherwise requires the following terms shall have the following meanings:

“Ad Hoc Waste”	those categories or components of Contract Waste which are either received separately by the Waste Services Contractor; or segregated from delivered mixed loads by the Waste Services Contractor in accordance with the Waste Acceptance Protocol, and require in accordance with all or any of Good Industry Practice, Consents, Guidance, Legislation and the terms of this Contract segregation from and different treatment or landfill from other Contract Waste including (without limiting the generality of the foregoing) the Contract Waste of the nature and commodity set out in the Waste Services Contract
“Agreement”	this agreement including the Schedules

“Amending Agreement”	an amending agreement in the form of ANNEX 1 to Schedule 7 (Change Procedure)
“Authority”	the North London Waste Authority
“Authority Administrative Area”	the administrative area of the Authority, being the sum of all WCA Administrative Areas
“Authority Post Financial Close Change Notice”	has the meaning given in Schedule 7 (Change Procedure)
“Authority Representative”	the representative of the Authority listed in Schedule 9
“Authority Retained Waste”	Municipal Waste that has been retained from (i.e. not included in) the Waste Services Contract by the Authority
“Best Value”	the obligation to continuously improve both the quality and cost of the collection of the Contract Waste pursuant to the provisions of the Local Government Act 1999 (“the 1999 Act”)
“Best Value Duty”	the duty of continuous improvement in services (including the collection and disposal of Contract Waste) that is imposed on the Parties by section 3 (1) of the 1999 Act
“Business Days”	a day (other than a Saturday or Sunday) on which banks are open for domestic business in the City of London
“Change Mechanism”	the change mechanism set out in Schedule 7
“Call for Final Tenders”	the date on which the Authority requests final tenders from bidders for the Waste Services Contract

“Collection System”	the overall method of collection currently operated by each WCA as set out in Schedule 1 Part A1 , or proposed to be operated by each WCA from the commencement of the Waste Services Contract as set out in Schedule 1 Part A2 or Part B , that dictates the design of the Reception Points
“Commencement Date”	the date upon which this Agreement is executed
“Commercial Waste”	has the meaning given in Section 75(7) of the EPA
“Confidential Information”	any and all confidential and/or proprietary information, (including know-how, records, trade secrets and data) whether of a business, marketing, financial, technical or non-technical nature and whether existing in hard copy form, in electronic form or otherwise, whether disclosed orally or in writing, which is regarded as confidential by the disclosing party and which is or has been disclosed to the other party or which comes to the other party’s attention as a result of this Agreement. This will include information expressly identified as such as well as any other information which, by reason of its nature or the circumstances under which it is disclosed, might reasonably be expected to be confidential.
“Consent”	<p>all permissions, consents, approvals, certificates, permits, licenses and authorisations of a relevant authority required for the performance of any of the Waste Disposal Contractors’ obligations under the Waste Disposal Contracts including for the avoidance of doubt:</p> <ul style="list-style-type: none">(a) all Environmental Permits;(b) all Planning Permissions; and(c) all Planning Obligations; <p>(each as defined in the Waste Disposal Contracts)</p>

“Contingency Reception Points”	those contingency Reception Points to which the WCAs shall deliver Contract Waste if directed to do so by the Authority in case of emergency only or such other locations as shall be notified by the Authority to the WCAs from time to time
“Contract Term”	the period from the Commencement Date until the Expiry Date
“Contract Waste”	Municipal Waste arising from time to time and collected or received by or on behalf of the WCAs or the Authority in the Authority Administrative Area, but excluding Retained Waste
“Cost Recovery Mechanism”	the prevailing mechanism set out in Schedule 4 (Cost Recovery Mechanism) which provides for how the WCAs will pay for the waste disposal services provided by the Authority
“Disputes Resolution Procedure”	the disputes resolution procedure in Schedule 8
“DPA”	the Data Protection Act 1998
“EIRs”	the Environmental Information Regulations of 2004/3391
“EPA”	the Environmental Protection Act 1990
“Expiry Date”	subject to any earlier termination of this Agreement, the date which is defined in the Waste Services Contract as the “Expiry Date” and “Expiry” shall be construed accordingly
“Facilities”	the treatment, transfer and operational facilities and all supporting infrastructure including associated plant and amenities to be designed, constructed, tested and commissioned pursuant to the Waste Disposal Contracts
“Financial Close”	the date on which the Waste Disposal Contracts or the first of them if different are entered into by the Authority

“Fuel Use Contract”	the contract entered into between the Authority and the Fuel Use Contractor for the processing of fuel and production of energy
“Fuel Use Contractor”	the contractor with which the Authority shall contract under the Fuel Use Contract
“Full Service Commencement Date”	the date that the independent certifier to be appointed under the Waste Services Contract issues the certificate confirming practical completion of the last Facility to be provided under the Waste Services Contract
“FOIA”	the Freedom of Information Act 2000 and any subordinate legislation (as defined in section 84 of the Freedom of Information Act 2000) made under the Freedom of Information Act 2000
“Good Industry Practice”	that degree of skill, care, prudence, foresight, operating practice and administration which would reasonably and ordinarily be expected from time to time of a skilled and experienced operator (engaged in the same type of undertaking as that of the Waste Services Contractor) or Construction Sub-Contractor or Operating Sub-Contractor (each as defined in the relevant Waste Disposal Contract) or any sub-contractor under the same or similar circumstances
“Guidance”	firstly any applicable guidance or directions with which the relevant Waste Disposal Contractor is bound to comply and secondly any applicable guidance or directions that the WCAs or persons acting on their behalf are bound to comply
“Household Waste”	has the meaning attributed to it in Section 75(5) and Section 89 of the EPA and the Controlled Waste Regulations 2012

“HWRCs”	household waste recycling centres within the Authority Administrative Area provided pursuant to section 51 of the Environmental Protection Act 1990
“Information”	has the meaning given under Section 84 of the Freedom of Information Act 2000
“Invitation to Submit Final Tenders”	the document of that title issued by the Authority to bidders for the Waste Services Contract on 1 st May 2012, and associated appendices
“Legislation”	any Act of Parliament or subordinate legislation within the meaning of section 21(1) of the Interpretation Act 1978, any exercise of the Royal Prerogative, and any enforceable community right within the meaning of section 2 of the European Communities Act 1972, in each case in the United Kingdom
“Levy Regulations”	Joint Waste Disposal Authorities (Levies) (England) Regulations 2006 including alternative levy apportionment methodologies as permitted therein
“Menu Pricing Mechanism”	the cost recovery mechanism set out in Schedule 4B (Menu Pricing Mechanism) which details how the Authority will recover from the WCAs its costs from the Menu Pricing Commencement Date
“Menu Pricing Commencement Date”	1 April 2016
“Municipal Waste”	Waste which by virtue of Legislation a WCA or the Authority has collected or received in the Authority Administrative Area, including without limitation Household Waste and Non-Household Waste
“Non-Household Waste”	Waste delivered by a WCA to the Authority that is not Household Waste

“Order”	Waste Regulation and Disposal (Authorities) Order 1985
“Parties”	the Authority and the WCAs, and “Party” shall mean any of them
“Partnership Board”	the stakeholder board established by the Authority and the WCAs pursuant to clause 13.3
“Performance Deductions”	the amount determined in accordance with Schedule 4 (Payment Mechanism) to the relevant Waste Disposal Contract
“Performance Standards”	the standards set out in Part B (Performance Measurement Framework) of Schedule 2 (Authority’s Requirements) or Schedule 4 (Payment Mechanism) (as the case may be) of the relevant Waste Disposal Contract
“Pre-Financial Close Change Notice”	has the meaning given in Schedule 7 (Change Procedure)
“Preparation for Re-Use”	checking, cleaning or repairing recovery operations by which products or components of products that have become Waste are prepared so that they can be re-used without any other pre-processing
“Prescribed Rate”	the value above the base rate given in the relevant Waste Disposal Contract plus the base rate at the relevant time
“Prevention”	measures taken before a substance, material or product has become Waste that reduce: the quantity of waste, including through the re-use of products or the extension of the life span of products; the adverse impacts of the generated waste on the environment and human health, or the content of harmful substances in material and products
“Project”	the procurement by the Authority of waste disposal services under the terms of the Waste Services Contract and Fuel Use Contract

“Reception Points”	the reception points to which the WCAs shall deliver Contract Waste as set out in Schedule 3 Part A1 (Preferred Reception Points) or Schedule 3 Part A2 (Specified Reception Points) (as the case may be) or such other reception points as the Parties shall agree
“Recyclable Materials”	any materials collected separately or otherwise separated from other Contract Waste for the purposes of Recycling (including materials collected and delivered commingled),
“Recycle/Recycled/Recycling”	treatment of Contract Waste that has been separated from other Contract Waste so that it can be reprocessed into a new product in accordance with the recycling or composting processing regime of the Waste Services Contract
“Recycling Rate”	the volume by tonnage of the Contract Waste which is recycled or composted as a proportion of the total volume by tonnage of the Contract Waste
“Retained Waste”	Municipal Waste that has been retained from the Waste Services Contract by or on behalf of a WCA or the Authority
“Re-Use”	any operation by which products or components that are not Waste are used again for the same purpose for which they were conceived
“Services”	the whole of the services or any of them to be provided by the relevant Waste Disposal Contractor pursuant to the Waste Disposal Contract which are necessary for the Waste Disposal Contractor to undertake in order to comply with the Service Requirements, the Services Method Statements (each as defined in the relevant Waste Disposal Contract) and the other provisions of the relevant Waste Disposal Contract

“Service Delivery Plan”	the proposals for the method of providing the Services to satisfy the Service Requirements set out in Part 2 of Schedule 3 (Contractor's Proposals) of the relevant Waste Disposal Contract
“Transitional Menu Pricing”	the transitional alternative levying arrangements for the recovery of the Authority’s costs from the WCAs for the period until the Menu Pricing Commencement Date that may be agreed by the parties in accordance with clause 16
“Trigger Point”	has the meaning set out in clause 8.2
“Unitary Charge”	the charges payable by the Authority under the Waste Services Contract and the Fuel Use Contract
“Visitor Survey”	a survey of users of HWRCs undertaken by or on behalf of the Authority at least triennially and within 18 months after a new HWRC facility is opened
“Waste”	has the meaning ascribed to it in Section 75 of the EPA
“Waste Acceptance Protocol”	the waste acceptance protocol forming part of the Waste Services Contract as attached in Schedule 6 in draft form
“Waste Disposal Contracts”	the Waste Services Contract and/or the Fuel Use Contract (as the case may be)
“Waste Disposal Contractor”	the Waste Services Contractor and the Fuel Use Contractor
“Waste Disposal Contractor Notice of Change”	a notice of change submitted by a Waste Disposal Contractor to the Authority under the Waste Services Contract and/or the Fuel Use Contract
“Waste Disposal Contractor Services”	the “Services” as defined in both the Waste Services Contract and Fuel Use Contract

“Waste Disposal Contractor Works”	the “Works” as defined in both the Waste Services Contract and Fuel Use Contract
“Waste Services Contract”	the contract entered into between the Authority and the Waste Services Contractor for the management of Contract Waste in the Authority Administrative Area
“Waste Services Contractor”	the contractor with which the Authority shall contract under the Waste Services Contract
“WCA”	one of the waste collection authorities party to this Agreement
“WCA Administrative Area”	the administrative area of a WCA
“WCA Collection Contractor”	any contractor engaged by a WCA to collect or deliver Contract Waste
“WCA Post Financial Close Change Notice”	has the meaning given in Schedule 7 (Change Procedures)
“WCA Representatives”	those representatives of each WCA listed in Schedule 9
“WCA Retained Waste”	Municipal Waste that has been retained from the Waste Services Contract Waste by or on behalf of a WCA
“WCA Tonnage Forecast”	the Contract Waste tonnage forecasts prepared by each WCA pursuant to clause 10 and Schedule 2 (Forecast Tonnages)
“WETA”	the Waste and Emissions Trading Act 2003

1.2 Interpretation

In this Agreement, except where the context otherwise requires:

- 1.2.1 the masculine includes the feminine and vice-versa;
- 1.2.2 the singular includes the plural and vice-versa;

- 1.2.3 a reference to any clause, sub-clause, paragraph, Schedule, recital or Annex is, except where expressly stated to the contrary, a reference to such clause, sub-clause, paragraph, Schedule, recital or annex of and to this Agreement;
 - 1.2.4 save where stated to the contrary, any reference to this Agreement or to any other document shall include any permitted variation, amendment or supplement to this Agreement and/or such document;
 - 1.2.5 any reference to any enactment, order, regulation or other similar instrument shall be construed as a reference to the enactment, order, regulation or instrument (including any EU instrument) as amended, replaced, consolidated or re-enacted;
 - 1.2.6 references to any documents being 'in the agreed form' means such documents have been initialled by or on behalf of each of the Parties for the purposes of identification;
 - 1.2.7 a reference to a person includes firms, partnerships and corporations and their successors and permitted assignees or transferees;
 - 1.2.8 headings are for convenience of reference only;
 - 1.2.9 words preceding "include", "includes", "including" and "included" shall be construed without limitation by the words which follow those words;
 - 1.2.10 any obligation on a Party to do any act matter or thing includes, unless expressly stated otherwise, an obligation to procure that it is done; and
 - 1.2.11 subject to any express provisions to the contrary, the obligations of any Party are to be performed at that Party's own cost and expense.
- 1.3 The Parties agree and acknowledge that the meanings attributed to the definitions set out above are intended to reflect the definitions included in the version of the Waste Services Contract current at the date of the signing of this Agreement. The Parties agree that, with effect from the date of the Waste Services Contract, the meanings of the defined terms in **clause 1.1** shall be amended as necessary to accord with the definitions in the signed Waste Services Contract.

- 1.4 The Authority will negotiate the Waste Services Contract and the Fuel Use Contract having due and proper regard to its Best Value Duty and in accordance with its obligations herein of acting with good faith towards the WCAs and it is hereby agreed and acknowledged that the terms and conditions of this Agreement shall be varied with effect from the date of Financial Close to ensure that the rights and obligations contained within this Agreement and the Waste Services Contract and Fuel Use Contract remain consistent, do not contain any material liabilities or obligations for which the Authority alone would be responsible and do not contain any conflicting provisions.
- 1.5 The Authority shall provide each WCA with a copy of the Waste Services Contract and the Fuel Use Contract as soon as reasonably practicable after the relevant Waste Disposal Contract is entered into.
- 1.6 Following the date of Financial Close the Authority shall duly notify the Partnership Board of any variations or amendments to this Agreement which arise from agreement between the Authority and the Waste Services Contractor and/or the Fuel Use Contractor.

2. **PARTNERING ETHOS**

2.1 Each Party shall:

- 2.1.1 act reasonably and co-operatively with the other Parties and act in good faith;
- 2.1.2 provide in a timely manner information to each other that they consider (acting reasonably) to be relevant to waste collection and disposal services, including information concerning the Services, Works, composition or volumes of Contract Waste, the delivery of Contract Waste to Reception Points, details of contractual arrangements from time to time entered into by the Parties associated with their responsibilities under Legislation and Guidance, early warning of potential failure by a Party in meeting its obligations under this Agreement and details of actual failure by a Party in meeting its obligations under this Agreement and notify the Authority and any other affected Party as soon as possible of proposed changes and/or when decisions are made that generally affect this Agreement, the Waste Services Contract and/or the Fuel Use Contract;

- 2.1.3 use reasonable endeavours to mitigate any losses arising from a Party's failure under this Agreement and to reduce the detrimental impact on the other Parties (or the council tax payers of any one of them) of any failure to carry out its obligations under this Agreement;
 - 2.1.4 use reasonable endeavours working together and in co operation with the Waste Services Contractor, to prevent and minimise Waste including its Preparation for Re-use, to educate the public and the commercial sector about recycling schemes and why their participation in these schemes is crucial, and to ensure that as much Waste as possible is (in order of priority) reduced, Re-used, Recycled or recovered; and
 - 2.1.5 without prejudice to the express rights, remedies and obligations of the WCAs under this Agreement and Legislation (using reasonable endeavours) not knowingly do anything under their reasonable control which would put the Authority in breach of the Waste Services Contract and/or the Fuel Use Contract.
- 2.2 Subject to the terms of the Waste Disposal Contracts the Authority shall use reasonable endeavours to manage the Waste Services Contract and the Fuel Use Contract so as to minimise the costs which the WCAs incur relating to the Waste Services Contract and the Fuel Use Contract, consistent with its Best Value Duty.

3. **COMMENCEMENT AND DURATION**

- 3.1 This Agreement shall commence on the Commencement Date and, save as expressly set out in this Agreement, continue in full force and effect until the earlier of:
- 3.1.1 the Expiry Date; or
 - 3.1.2 the termination of the Waste Services Contract pursuant to its terms for termination, unless the Authority has procured on termination that a third party contractor provides and operates the Facilities or facilities of a similar nature to those envisaged by the Waste Services Contract; or
 - 3.1.3 the termination of the Fuel Use Contract pursuant to its terms for termination, unless:
 - 3.1.3.1 the Authority has procured on termination that a third party contractor provides and operates the Facilities or facilities of a similar nature to those envisaged by the Fuel Use Contract; or

3.1.3.2 the Parties have agreed such changes to this Agreement to enable it to continue in full force and effect notwithstanding the termination of the Fuel Use Contract.

3.1.4 the relevant provisions of the EPA and WETA being amended or repealed or other enactment made such that this arrangement is rendered unlawful or inoperable.

4. REPRESENTATIVES

4.1 The Authority Representative and each WCA Representative (collectively “the Representatives”) shall be those people identified as such in **Schedule 9** (Representatives and Contact Details) or such other persons as may be appointed pursuant to this **clause 4**.

4.2 The Representatives shall exercise the functions and powers of the Authority or WCA (as applicable) in relation to the project operations which are identified in this Agreement as functions or powers to be carried out by the Authority Representative or WCA Representative (as relevant).

4.3 Each Representative shall be entitled at any time, by written notice from themselves or a Chief Officer of the relevant Party to the other Parties, to authorise any other person to exercise the functions and powers of the Party delegated to him/her pursuant to this **clause 4**, either generally or specifically, and all references to the Authority Representative, WCA Representative or the Representatives in the Agreement (as relevant, and apart from this **clause 4.3**) shall be taken as references to such person so far as they concern matters within the scope of such person’s authority.

4.4 Each Party may by written notice to each other Party change their Representative. Such change shall have effect on the date specified in the written notice.

4.5 Each Representative identified in **Schedule 9** shall have full authority to act on behalf of the relevant Party for all purposes of this Agreement. Except as previously notified in writing before such act by a Party, the other Parties and their Representatives shall be entitled to treat any act of the Representatives in connection with this Agreement as being expressly authorised by their relevant Party and the other Parties and their Representatives shall not be required to determine whether any express authorisation has in fact been given.

5. **WASTE DISPOSAL CONTRACTS**

5.1 The WCAs acknowledge that:

5.1.1 Contract Waste collected in the Authority Administrative Area will be managed through the Waste Disposal Contracts;

5.1.2 the Authority will make the decision to award the Waste Services Contract and the Fuel Use Contract;

5.1.3 the Authority shall enter into the Waste Disposal Contracts with the Waste Disposal Contractors in order to discharge its statutory duties as the joint waste disposal authority for the Authority Administrative Area; and

5.1.4 the Authority is relying on the WCAs to discharge their obligations under this Agreement in order for the Authority to be able to perform its obligations under the Waste Disposal Contracts.

6. **PRINCIPAL OBLIGATIONS OF THE AUTHORITY**

6.1 The Authority will provide information in a timely manner as set out in this Agreement to enable the WCAs to meet their obligations with regard to actions due prior to Financial Close relating to:

6.1.1 Collection Systems (**clause 8**);

6.1.2 Recyclable Materials (**clause 9.4**); and

6.1.3 HWRCs (**clause 11**).

6.2 The Authority will not encourage or otherwise seek for bidders for the Waste Disposal Contracts to artificially increase or decrease the costs of one waste stream at the expense of another for the purpose of incentivising the separate collection of recyclable or compostable wastes over the collection of residual waste; however, the Authority will negotiate to secure the best overall terms and economic cost for the Authority by all means reasonably available. The Authority will provide a commentary to the WCAs aimed at showing the reasons for changes to bidders' prices for each principal waste stream that do arise between the bidders' submissions of their detailed solutions and their final tenders, and then any further changes at Financial Close.

6.3 The Authority shall use its best endeavours to procure the proper performance of the Waste Disposal Contractors' obligations under the Waste Services Contract and the Fuel Use Contract.

- 6.4 The Authority shall apportion the costs incurred in relation to its Waste Disposal Contractors' obligations pursuant to **clause 16** (Financial Contribution) and **Schedule 4** (Cost Recovery Mechanisms).
- 6.5 Where an act or omission of the Authority to the extent caused or contributed to by an act or omission of any relevant contractor of the Authority including a failure of one or more of the Waste Disposal Contractors to achieve any of the Performance Standards, causes any loss to one or more WCAs, the Authority shall use its reasonable endeavours to pursue any appropriate remedies available to it including the recovery of Performance Deductions under the Waste Services Contract or Fuel Use Contract (as applicable) and after the Menu Pricing Commencement Date shall do so in accordance with **Schedule 4B (Menu Pricing Mechanism)**. Where a remedy is not pursued in relation to such an act omission or failure, then the Authority will provide a reasonable explanation to the Partnership Board.
- 6.6 After the Menu Pricing Commencement Date the Authority will provide annual reconciliations in accordance with **Schedule 4B (Menu Pricing Mechanism)**.
- 6.7 Subject to **clauses 6.9.1** and **6.9.2** the Authority shall notify a WCA of any material changes within the Waste Services Contract and the Fuel Use Contract that might be of relevance to it or affect its obligations or rights under this Agreement.
- 6.8 The Authority shall use its reasonable endeavours to ensure that the Waste Disposal Contractors achieve their relevant Performance Standards and shall ensure that each WCA is made aware of the Performance Standards and of the current Service Delivery Plans and where relevant is consulted about them.
- 6.9 The Authority shall:
- 6.9.1 Save where the Authority is required to issue an Authority Change Notice or agree a Waste Disposal Contractor Notice of Change, not propose any change to the Waste Disposal Contractor Works or the Services nor accept any Waste Disposal Contractor Notice of Change under the Waste Services Contract and the Fuel Use Contract which could materially affect any WCA without prior consultation with the appropriate WCAs; and after taking into account any comments received from those WCAs (save that in the event that it becomes apparent that any such proposal for change will materially affect any WCA after discussion with the relevant Waste Disposal Contractor) then the Authority shall forthwith consult with such WCA regarding the proposed change and where requested by the relevant WCA the Authority shall withdraw any such proposal for change or make such changes as are reasonably requested by the WCA in the circumstances provided such changes do not otherwise impact on another WCA that has not consented to such change;

- 6.9.2 consider whether it is appropriate to exercise any rights it has under the Waste Services Contract and the Fuel Use Contract payment mechanisms with respect to performance failures by the Waste Disposal Contractors, and if it determines that it is, to exercise such rights, and if it determines that it is not, inform the WCAs and as to its reasons for not exercising such rights;
- 6.9.3 use reasonable endeavours to ensure that the Waste Disposal Contractors act reasonably and co-operatively with the WCAs and any WCA Collection Contracts including co-operating with WCAs in complying with their Best Value Duty;
- 6.9.4 following the Date of Financial Close ensure that the terms of the Waste Services Contract facilitate and do not conflict with the WCAs' agreed methods of operation for the collection and delivery of Contract Waste set out in **Schedule 1** or as otherwise varied in accordance with the Change Procedure.

7. **PRINCIPAL OBLIGATIONS OF THE WCAS**

7.1 Each WCA shall:

- 7.1.1 register with the Authority all vehicles to be used for the delivery of Waste to the Waste Services Contractor or any other contractor to the Authority in accordance with procedures reasonably determined by the Authority;
- 7.1.2 deliver (or procure its WCA Collection Contractor to deliver) all Contract Waste to the Reception Points for that WCA set out in **Schedule 3** (Reception Points) within the opening hours applicable to such Reception Points as set out in the Waste Acceptance Protocol in **Schedule 6**;
- 7.1.3 comply with (or procure its WCA Collection Contractor's compliance with) the Waste Acceptance Protocol;
- 7.1.4 ensure that it and procure that its WCA Collection Contractors do not damage any Reception Points;
- 7.1.5 pay the Authority in accordance with **clause 16** (Financial Contribution) and **Schedule 4** (Cost Recovery Mechanism);

- 7.1.6 provide the Authority with information, as required by the Authority in relation to content, format and timing, about the collection vehicles it will use to enable the Authority to ensure the relevant Facilities will be able to receive Waste delivered in such vehicles; and
- 7.1.7 otherwise enable the Authority to meet its contractual obligations under the Waste Services Contract and the Fuel Use Contract.
- 7.2 If any act or omission of a WCA (or a WCA Collection Contractor acting on behalf of a WCA) causes loss to the Authority (including through entitling the Waste Services Contractor, Fuel Use Contractor or other contractor of the Authority to increase its charges or seek any other remedy from the Authority) or to any other WCA, or prevents the Authority from receiving performance under the Waste Services Contract or the Fuel Use Contract, then any such WCA shall bear the cost of the relevant losses by paying the Authority such amount through the Cost Recovery Mechanism.
- 7.3 Each WCA shall provide information on historic and future waste streams on a regular basis and in a timely fashion to contribute to the Authority's and the WCA's budget setting processes and shall co-operate with waste composition surveys commissioned by the Authority or any contractor nominated by the Authority for this purpose.

8. **COLLECTION SYSTEMS AND RECEPTION POINTS**

- 8.1 Subject to the provisions of **clause 8.3** the Collection System for each WCA and the corresponding Reception Points shall be as set out in **Schedule 1 and 3, Parts A1, A2 or B**. The following provisions will cover amendment to the Collection Systems and corresponding Reception Points in order to enable the Authority to issue an Invitation to Submit Final Tenders based on updated information.
- 8.2 The Authority will notify the WCAs of:
- 8.2.1 the anticipated Unitary Charge or range of Unitary Charges applicable to the Waste Services Contract and the Fuel Use Contract; and
- 8.2.2 the proposed phasing of any new waste transfer arrangements as detailed in the Waste Services Contract,

as soon as reasonably possible once the Authority, in its reasonable opinion, has sufficient information to enable the WCAs to make decisions in relation to the applicable matter stated in clauses 8.2.1 and 8.2.2 (the "Trigger Point"), which happened 13th January 2012.

8.3 The WCAs agree

8.3.1 that no later than three calendar months after the Trigger Point, **Schedules 1A2 and 3A2**, as developed and agreed in writing by the parties pursuant to **clause 8.4**, will replace **Schedules 1A1 and 3A1** of this Agreement, save that if any such schedules do not contain updated information because the relevant WCA has not supplied such updated information, then **Schedule 1A1, or 3A1** as applicable will continue to apply in relation to that WCA unless changed pursuant to clause 8.3.2 or the Change Mechanism in **Schedule 7**.

8.3.2 that no later than 11 weeks after the expiry of the period provided at clause 8.3.1 a WCA may (but only in response to changes that could not then reasonably be specified) provide further updated information on its Collection Systems and its corresponding Reception Points for **Schedule 1B, or 3B** which information will be used for the Authority's Call for Final Tenders in its procurement of the Waste Services Contract. If this situation arises, other WCAs' most recent data will be carried forward by the Authority into a new **Schedule 1B, or 3B** to create a single final set of data.

8.4 The WCAs agree to collaborate with the Authority on the development of **Schedules 1A2 and 3A2**, with a view to replacing **Schedules 1A1 and 3A1** and to provide the greatest possible notice of any changes that may require a **Schedule 3B** in accordance with the provisions of **clause 8.3**.

8.5 Prior to the date referred to in **clause 8.3.1** the WCAs and Authority will meet regularly to update each other on:

8.5.1 in the case of the WCAs, proposed changes in the Collection System outlined in **Schedule 1A1** applicable to their borough and projected timetables for change;

8.5.2 other discussions and potential decisions relating to matters of relevance to **Schedules 1, 2 and 3**;

8.5.3 in the case of the Authority, relevant issues as they develop relating to the procurement of the Waste Services Contract and Fuel Use Contract, subject to usual requirements as to confidentiality;

with a view to assisting the WCAs in their decision making processes in this period.

- 8.6 After the periods provided at clause 8.3 the WCAs may use the Change Mechanism in **Schedule 7** to vary Collection Systems in operation during the Waste Services Contract, but (for the avoidance of doubt) it is agreed that minor changes to WCA vehicles and WCA Collection Systems, namely those that do not require the Waste Services Contractor to materially adjust the way in which it provides the Services from that envisaged in the Invitation to Submit Final Tenders, shall not require the use of the Change Mechanism in **Schedule 7**.

9. RECYCLING OBLIGATIONS

- 9.1 The Authority and the WCAs agree:

9.1.1 a recycling target of a Recycling Rate of 50% by 2020 as defined in the Waste Services Contract and adjusted by the Authority for any Retained Waste; and

9.1.2 that to achieve this target the Parties will use their reasonable endeavours to achieve the following Recycling Rates for the Authority Administrative Area: 40% from the Collection Systems run by the WCAs and, subject to the transfer to the Authority of all HWRCs in the Authority Administrative Area, 10% from the services provided pursuant to the Waste Services Contract (including HWRCs if separately contracted).

- 9.2 The Authority and the WCAs will ensure that information needed to support the reporting of achievement and targets against Recycling Rates relating to a WCA Administrative Area or to the Authority Administrative Area is available accurately and in a timely manner.

- 9.3 On or before the issue of the Invitation to Submit Final Tenders the Authority will notify the WCAs of the anticipated pricing applicable to Recyclable Materials to be included in the **Menu Pricing Mechanism** in **Schedule 4**.

- 9.4 If a WCA will not deliver WCA Retained Waste to the Authority it shall on or before the date referred to in **clause 8.3.2** notify this to the Authority.

10. FORECAST TONNAGES

- 10.1 In deciding on its Collection System pursuant to **clause 8.2** each WCA will include a WCA Tonnage Forecast as required by **Schedule 2** which shall apply throughout the term of the Waste Services Contract and the Fuel Use Contract subject to the provisions for change contained in **clause 8** and made pursuant to **Schedule 7**.

- 10.2 The WCAs and the Authority agree that the Guaranteed Minimum Tonnage (GMT) shall be 70% of the total of the tonnage forecasts at Schedule 2 for waste streams to which such a guarantee applies, excepting the provisions of clause 10.5.
- 10.3 The WCAs acknowledge that the WCA Tonnage Forecasts will form the basis for determining liability with regard to provisions relating to Guaranteed Minimum Tonnes (which shall apply from the Full Service Commencement Date and shall track the total annual tonnage forecasts of all WCAs separately for mixed dry recyclables, mixed food and green waste and residual waste) and Maximum Tonnes in the Waste Services Contract and the Fuel Use Contract.
- 10.4 The total liability of the Authority arising from any failure to deliver the GMT for any waste stream shall be recovered from those WCAs that have delivered less than their share of the GMT for the relevant waste stream(s) by reference to the WCA Tonnage Forecasts; all such liabilities shall be apportioned between these WCAs by reference to their individual variances from the GMT as a percentage of all such variances and shall be recovered by the Authority in accordance with **Schedule 4** (Cost Recovery Mechanism).
- 10.5 The WCAs acknowledge that the Authority shall use reasonable endeavours to ensure that there is no Guaranteed Minimum Tonnage applied to separately collected and separately delivered green waste. However, if such a requirement is made, then the Authority shall use reasonable endeavours to agree the lowest possible Guaranteed Minimum Tonnage. The same principles that are applied to the other waste streams which attract a Guaranteed Minimum Tonnage will also apply to separately collected green waste.
- 10.6 Where the tonnage of Contract Waste anticipated by the Authority to be delivered to the Waste Services Contractor shall exceed the tonnage which the WSC is contractually obliged to accept the Authority shall use reasonable endeavours to minimise the cost of managing and treating such excess tonnages of Contract Waste whether under the Waste Disposal Contracts or otherwise. The costs of managing and treating such excess tonnages of Contract Waste shall be recovered by the Authority in accordance with the principles set out at Clause 10.4 applying the principles for over delivery rather under-delivery.
- 10.7 Each WCA will, for contract management purposes:
- 10.7.1 provide an annual revised forecast tonnage for use by the Authority in management of the Waste Disposal Contracts; and

- 10.7.2 advise the Authority at the earliest opportunity if unexpected circumstances suggest a trend, or an activity of the WCA, is likely to change tonnage by more than 2% by waste stream against the projections set out in **Schedule 2B**.
- 10.8 Each WCA shall in preparing the WCA Tonnage Forecast for its WCA Administrative Area exercise reasonable skill, care and attention and shall base the WCA Tonnage Forecast on facts and projections which WCAs reasonably believe are accurate and based on reasonably held opinions.
- 10.9 Subject to **clauses 10.3, 10.4, 10.6, 10.8 and 10.10**, and without prejudice to **Clause 10.7**, the Authority acknowledges and accepts that the WCA Tonnage Forecast may vary due to matters outside the control of WCAs and are not guaranteed tonnages of all Contract Waste arising.
- 10.10 Each WCA shall be responsible for and pay to the Authority through the Cost Recovery Mechanism charges borne by the Authority in respect of Ad Hoc Waste delivered to the Waste Services Contractor by the relevant WCA.
- 10.11 If any WCA's boundaries are changed with another WCA, the tonnage forecasts of each shall be adjusted in accordance with the number of households that have been transferred relative to the number of households in each affected WCA. If any WCA's boundaries should be changed with a waste collection authority that is outside of the Authority Administrative Area the effect of such change shall be borne by that WCA.
11. **HWRCs**
- 11.1 The HWRCs, initially expected to transfer from relevant WCAs to the Authority are listed in **Schedule 5A1**.
- 11.2 The WCAs agree to transfer the HWRCs in their area as listed in **Schedule 5A1** to the Authority with effect from the dates shown, subject to the following provisions to cover amendment to this Schedule in order to enable the Authority to provide HWRC services from the dates in Schedule 5 and to issue the Invitation to Submit Final Tenders based on updated information.
- 11.3 The Authority will notify the WCAs of the anticipated costs of Interim HWRC Services as soon as reasonably possible once the Authority, in its reasonable opinion, has sufficient information to enable the WCAs to make decisions in relation to the Authority commencing provision of Interim HWRC Services (the "HWRC Interim Trigger Point"), which happened 26th January 2012.

- 11.4 The Authority will notify the WCAs of the anticipated Unitary Charge or range of Unitary Charges applicable to the HWRC element of the Waste Services Contract and on a site-by-site basis as soon as reasonably possible once the Authority, in its reasonable opinion, has sufficient information to enable the WCAs to make decisions in relation to the Authority commencing provision of HWRC services through the Waste Services Contract (the "HWRC Final Trigger Point"), which happened 15th June 2012.
- 11.5 The WCAs agree that no later than two weeks after the HWRC Interim Trigger Point a revised **Schedule 5A2**, as developed and agreed in writing by the parties will replace **Schedule 5A1** of this Agreement, save that if any such **Schedule 5A2** does not contain updated information because the relevant WCA has not supplied such updated information, then the WCAs entry in **Schedule 5A1** will continue to apply unless changed pursuant to the Change Mechanism in **Schedule 7**.
- 11.6 The WCAs agree that no later than 29th June 2012 or six weeks after the HWRC Final Trigger Point (whichever is the later) a revised **Schedule 5B**, as developed and agreed in writing by the parties will replace **Schedule 5A2** of this Agreement, save that if any such **Schedule 5B** does not contain updated information because the relevant WCA has not supplied such updated information, then the WCAs most recent entry from **Schedule 5A1** and **5A2** will continue to apply unless changed pursuant to the Change Mechanism in **Schedule 7**.
- 11.7 The transfer will include provisions covering the following:
- 11.7.1 an acknowledgement that the Authority requires the sites for the purpose of waste management only;
 - 11.7.2 that the transfer is on the basis of a lease excluded from the protection of the Landlord and Tenant Act 1954, is subject to incorporation of rights that will meet the WCA's requirements in respect of any interests or adjoining land that will remain in the WCA's ownership and other site constraints, which aims to treat WCAs equally subject to individual site constraints, and which is at a peppercorn rent (subject to clause 11.9) for a term that will facilitate the delivery of the Waste Services Contract (including any extensions thereto); and

- 11.7.3 that the WCA will duly cooperate and disclose the relevant employment details of any staff that are engaged in performing services at the relevant HWRC in sufficient time prior to transfer for there to be meaningful consultation with staff in accordance with statutory provisions. For the avoidance of doubt the Parties agree that the Transfer of Undertakings and Protection of Employment Regulations 2006 shall apply to the transfer of any HWRC (whether or not it shall be determined by an employment tribunal or a court (of any instance or jurisdiction) that they did not); and
- 11.7.4 where applicable, the novation assignment or similar to the Authority or to the Waste Services Contractor of the remaining term of a contract already awarded by a WCA to another party for the operation of an HWRC.
- 11.8 If the Authority and a WCA fail to agree the terms of a lease by two months before the date of transfer at **Schedule 5A1, 5A2** or **5B** as applicable, either Party may require these to be determined in accordance with the **Disputes Resolution Procedure** in **Schedule 8**.
- 11.9 Before a WCA transfers any HWRC as above to the Authority it shall confirm in writing to the Authority that:
- 11.9.1 the WCA has determined that the transfer to the Authority will be for the best consideration that can reasonably be obtained or
- 11.9.2 the WCA considers that such a transfer falls within a general consent or that it has obtained consent from the Secretary of State for the disposal of land for less than the best consideration that can reasonably be obtained.
- 11.10 If a WCA is not able to provide the Authority with the confirmation required by **clause 11.9** the Authority will pay to the WCA on an annual basis an amount agreed by the WCA and the Authority as a market rent. The WCA shall pay to the Authority an amount equal to the rental income as an adjustment to the sums payable by the WCA to the Authority through the Cost Recovery Mechanism or through such other cost recovery mechanism that facilitates the same net effect.
- 11.11 The WCAs acknowledge that the Authority will before the Call for Final Tenders (providing sufficient time for bidders for the Waste Services Contract to develop their solutions for their final tenders) determine whether the management of the HWRCs is included in the Waste Services Contract, taking account of the quality and value for money of the bid submissions received in the procurement process and the Authority shall notify the WCAs of its decision. If the HWRCs are not included in the Waste Services Contract the Authority shall consult with the WCAs as to their future management.

- 11.12 The Authority shall consult (such consultation to be in writing and to contain projections of financial and operational impacts on the Authority and, where possible, on the WCA) the WCA expected to bear the greatest share of the cost (or saving as the case may be) through the Visitor Survey on any proposals for the acquisition, development or opening of a new HWRC, the closing of any existing HWRC, the introduction of paid trade waste or proposed capital works at an HWRC site, and shall give appropriate weighting when taking a decision (such decision to be taken by the Authority in accordance with its prevailing standing orders) whether or not to proceed in particular to the views of this WCA, and if this WCA shall be opposed to such HWRC development or major refurbishment notwithstanding that there remains a shortfall in recycling performance relative to the target of achieving a 50% recycling rate by 2020 the WCA shall supply with its notice of opposition to the Authority alternative proposals to achieve this recycling rate.
- 11.13 In the case of proposals for the acquisition and development of a new HWRC, the Authority shall give the WCA expected to bear the greatest share of the cost through the Visitor Survey the first option to buy and develop the site for the new HWRC on the condition that the WCA agrees the design of the HWRC with the Authority, develops the HWRC and then leases the HWRC to the Authority on terms as provided in this Agreement for previous HWRCs, all without delay. Conversely if the Authority has bought and developed a new HWRC, but then wishes to sell it, it is agreed that the WCA expected to receive the greatest share of any income in accordance with **Schedule 4** will have the first right to buy the site from the Authority, provided that it is able to match the price and value likely to be achieved by the Authority from the disposal of the HWRC to another third party.
- 11.14 The Authority shall undertake or procure Visitor Surveys of HWRCs.
- 11.15 The Authority shall, where permissible, report its HWRC recycling tonnages to the WCAs in the same proportions as the WCAs bear the costs of each HWRC under the Visitor Survey.
- 11.16 For the avoidance of doubt, if a WCA has an HWRC that has not transferred to the Authority in accordance with the provisions above and **Schedule 5**, but that WCA subsequently wishes to transfer such an HWRC, then the WCA shall use Schedule 7 (Change Procedure), but the Parties hereby agree that in all cases any lease from a WCA to the Authority for an HWRC shall be at a peppercorn rent throughout its full term and any renewal periods, and excluded from the protection of the Landlord and Tenant Act 1954, notwithstanding that other provisions of such a lease may differ from other HWRC leases entered into in accordance with **clauses 11.7, 11.8, 11.9 and 11.10**.

12. **OBLIGATION IN RELATION TO APPROVALS**

12.1 Each WCA and the Authority shall each use reasonable endeavours to procure any approval which may be necessary from it in order to facilitate the implementation of this Agreement in accordance with its provisions save that this clause shall not prejudice any determinations of a WCA under the Town and County Planning Act 1990 by the local planning authority in relation to any matters envisaged under this Agreement and/or the Waste Services Contract and/or the Fuel Use Contract.

13. **COMMUNICATIONS**

13.1 During the period of procurement for the Waste Disposal Contracts the Authority and the WCAs will make arrangements for regular meetings as set out in **clauses 8.4 and 8.5**.

13.2 The Authority will arrange a meeting for the WCAs, to which the bidders in the procurement for the Waste Services Contract will be invited, on the following basis:

13.2.1 each WCA will be represented by up to 2 officers;

13.2.2 the meetings will be facilitated by a representative of the Authority;

13.2.3 there will be one meeting for each bidder for the Waste Services Contract;

13.2.4 the views of the WCAs expressed following the meeting will be taken into account by the Authority;

13.2.5 the topics for discussion will be the interface between the collection regimes and the services to be provided under the Waste Services Contract and issues relating to Recycled Materials; and

13.2.6 the contents and information disclosed or released at the meetings will be held in the strictest confidence by the WCAs and not disclosed to any other party, including the other bidder.

13.3 Notwithstanding the provisions of **clause 13.1** the Authority and the WCAs shall establish a Partnership Board. The terms of reference of the Partnership Board are set out at **Schedule 10** to this Agreement.

13.4 The Partnership Board shall have no authority to direct the Authority to request any change to the Waste Services Contract and/or the Fuel Use Contract and no recommendations of the Partnership Board will override the rights, obligations and limitations specifically dealt with within this Agreement.

- 13.5 Meetings of the Partnership Board shall be convened by the Authority by not less than ten (10) Business Days notice to all WCAs stating the proposed agenda and shall be held at intervals to be agreed but anticipated to be three (3) monthly and otherwise at the request of the Authority throughout the duration of this Agreement. The Authority shall be obliged to call a meeting of the Partnership Board if it receives a written notice sent on behalf of at least four of the WCAs requesting the Authority to call a meeting of the Partnership Board and specifying the issues that those WCAs require the Partnership Board to consider. The Authority shall call no later than ten (10) days after it receives such a notice for a meeting of the Partnership Board to take place.
- 13.6 The Authority shall within fifteen (15) Business Days of each meeting produce minutes and distribute these to all WCAs.
- 13.7 All views and recommendations of the Partnership Board shall be by consensus (namely a process of reasoned discussion leading to unanimous agreement) of all members present at a meeting and if such agreement cannot be reached, by majority vote with the Authority and each WCA present at that meeting all having one vote each. Should voting be equal, the chair of the Partnership Board shall have the casting vote.

14. **BEST VALUE DUTY**

- 14.1 The Authority and the WCAs acknowledge that all Parties are subject to the Best Value Duty and agree to assist each other in discharging the Best Value Duty in relation to the collection and disposal of Contract Waste.

15. **OWNERSHIP OF WASTE AND DUTY OF CARE**

- 15.1 All Contract Waste received by or in the possession of the Authority (or any of its contractors or sub-contractors, including the Waste Disposal Contractors) shall upon such receipt be acquired by, and be in the ownership of and at the risk of the Authority or Waste Disposal Contractors, which shall take full responsibility for it. The WCAs shall deliver Contract Waste to the Authority in accordance with **clause 7** and the Waste Acceptance Criteria and Protocol in **Schedule 6** or as directed by the Authority.

- 15.2 For the purposes of this Agreement, until the Authority (or any of its contractors or sub-contractors, including the Waste Disposal Contractors) takes ownership of Contract Waste collected by or on behalf of a particular WCA pursuant to **clause 15.1** such Contract Waste shall be deemed to be held at the entire responsibility and liability of that WCA and the Authority shall have no responsibility for such Contract Waste.
- 15.3 Without prejudice to **clause 15.2**, the Authority shall ensure that all Reception Points and Contingency Reception Points have reasonable resources such as to allow for the issuing of correct and accurate transfer notes in respect of the Contract Waste when required.
- 15.4 The Authority shall notify or procure that its Waste Services Contractor notifies a WCA promptly if a designated Reception Point for that WCA is not available unexpectedly for the acceptance of Contract Waste for any reason.

16. **FINANCIAL CONTRIBUTION**

- 16.1 From the Commencement Date to the date (if any) that the Transitional Menu Pricing is agreed by the Parties (but only until the Menu Pricing Commencement Date), all payments due from the WCAs to the Authority other than for Non-Household Waste shall be levied on an annual basis (and collected by the Authority on a monthly basis) in accordance with the provisions of the alternative to the Levy Regulations agreed unanimously by the WCAs to apply from 2012/13 (attached as at **Schedule 4A1**), and the power therein for the WCAs to agree alternative methodologies to apportion the Authority's costs; and all payments for Non-Household Waste due from the WCAs to the Authority shall be paid on account during the year as required by the Authority with an annual reconciliation by the Authority of actual costs and tonnages attributable to Non-Household Wastes from which refunds or further payments may arise.
- 16.2 The Authority and the WCAs shall jointly consider the Transitional Menu Pricing which may be incorporated into this Agreement at **Schedule 4 (Cost Recovery Mechanism) Part 4 Part A2 (Transitional Menu Pricing)** with effect from 1st April after the date of agreement to the Transitional Menu Pricing by the last of the WCAs noting however that no notice from the WCAs of such decisions can be effective until after 1st April in the calendar year following the notice if the notice is received after 31st January.

- 16.3 From the date the Transitional Menu Pricing is effective until the Menu Pricing Commencement Date, all payments due from the WCAs to the Authority shall be calculated in accordance with the Transitional Menu Pricing at **Schedule 4 Part A2**. For the avoidance of doubt, the Authority's costs in relation to Non-Household Waste will continue to be recovered separately as at clause 16.1.
- 16.4 The WCAs agree to collaborate with the Authority on the further development of **Schedule 4 Part A2** in line with the development of the Project with a view to improving fairness in the apportionment of the Authority's costs before the Menu Pricing Commencement Date
- 16.5 On and following the Menu Pricing Commencement Date the WCAs shall pay to the Authority such sums as shall be calculated in accordance with **Schedule 4 Part B (Menu Pricing Mechanism)** which the Parties, by entering into this Agreement, have agreed in accordance with the Levy Regulations (regulation 4(1)(a)) shall apply from the Menu Pricing Commencement Date until the end of the financial year during which this Agreement expires. The Parties also note that the WCAs shall pay the Authority such sums as are required for Non-Household Waste in accordance with s.52(9) of the EPA as referred to in **Schedule 4 Part B (Menu Pricing Mechanism)**. Subject to any differences arising from the different ways in which the Authority recovers its costs for Household Wastes and Non-Household Wastes, the cost per tonne for Household Wastes and Non-Household Wastes shall be broadly the same for each principal waste stream from the Menu Pricing Commencement Date. The Authority's costs of managing Ad Hoc Wastes will, by definition, not be similar to other waste streams and will be separately recovered by the Authority either as a specific Non-Household Waste charge to the relevant WCA or as a WCA specific cost under the Menu Pricing Mechanism. The WCAs agree and acknowledge that together such sums must be adequate to discharge all the Authority's costs including all obligations to make any unitary charge payments due to the Waste Disposal Contractors under the Waste Services Contract and/or the Fuel Use Contract.
- 16.6 Without prejudice to clause 16.4, to the extent that the costs of the Authority are not recovered or are not recoverable through this Agreement, then the provisions of the Levy Regulations will apply to the recovery of such costs.
- 16.7 For the avoidance of doubt any request for a change to the apportionment of the Authority's costs between the WCAs under this Agreement shall require formal agreement by all the Parties, in the absence of which the Parties agree the provisions of this Agreement shall govern such apportionment.

17. **SET OFF**

- 17.1 The WCAs shall not be entitled to retain or set off any amount due to the Authority by it, but the Authority may retain or set off any amount owed to it by a WCA under this Agreement which has fallen due and payable against any amount due to that WCA under this Agreement.
- 17.2 If the payment or deduction of any amount referred to in **clause 17.1** is disputed then any undisputed element of that amount shall be paid and the disputed element shall be dealt with in accordance with the Disputes Resolution Procedure.

18. **LATE PAYMENTS**

- 18.1 Save where otherwise specifically provided and where payments are due from the WCAs to the Authority under the Levy Regulations, where any payment or sum of money due from the WCAs to the Authority or from the Authority to the WCAs under any provision of this Agreement is not paid on or before the due date, it shall bear interest on such sums at the Prescribed Rate from the due date (whether before or after any judgement) until actual payment and it is agreed between the Parties that the Prescribed Rate provides the Parties with a substantial remedy pursuant to Sections 8 and 9 of the Late Payment of Commercial Debts (Interest) Act 1998.
- 18.2 For the avoidance of doubt, the late payment of any payment due from the WCAs to the Authority by operation of the Levy Regulations shall be governed by section 6 of the Levy Regulations.

19. **CHANGES AND AMENDMENTS**

- 19.1 The WCAs may request a change to this Agreement, the Services, the Works, the Waste Services Contract and/or Fuel Use Contract, and the Authority may request or advise of a change to this Agreement in accordance with the provisions of **Schedule 7** (Change Procedure).
- 19.2 The costs or savings (if any) arising from any change requested by a WCA shall be the responsibility of such WCA, save and to the extent that such costs or savings (if any) have a wider impact on the delivery of services under the Waste Services Contract and/or Fuel Use Contract in which case such costs or savings shall be shared on a fair and equitable basis between the WCAs.

19.3 The Parties agree to the further development of **Schedule 6 (Waste Acceptance Criteria and Protocol)** and that **Schedule 6** shall be amended by the Authority prior to Financial Close to incorporate changes required to align this Agreement with the provisions of the Waste Disposal Contracts.

19.4 For the avoidance of doubt, this Agreement may not be varied except pursuant to clauses **1.3 to 1.6, 8, 16.2, 16.5, 19.1, and 19.3** and **Schedule 7** (Change Procedure).

20. **DISPUTES RESOLUTION PROCEDURE**

20.1 Any dispute arising under this Agreement shall be dealt with in accordance with the Disputes Resolution Procedure in **Schedule 8**.

21. **INDEMNITIES**

21.1 Each WCA shall, subject to **clause 16.6** be responsible for, and shall release and indemnify the Authority, its employees, agents and contractors on demand from and against all liability for:

21.1.1 death or personal injury;

21.1.2 environmental impairment, damage or contamination of water, air or ground;

21.1.3 loss of or damage to property (including property belonging to the Authority or for which it is responsible);

21.1.4 breach of statutory duty;

21.1.5 actions, claims, demands, costs, charges and expenses (including legal expenses on an indemnity basis);

which may arise out of or in consequence of performance or non-performance by the WCA of its obligations under this Agreement or the presence on the Facilities of the WCA and/or its WCA Collection Contractor.

21.2 The WCAs shall not be responsible nor be obliged to indemnify the Authority for any injury, loss, damage, cost and expense caused by the negligence or wilful misconduct of the Authority nor by the breach by the Authority of its obligations under this Agreement (unless and to the extent that such breach was caused by an act or omission of one or several WCAs).

22. **EXIT ARRANGEMENTS**

Not less than 5 years (sixty months) before the Expiry Date, or as soon as is reasonably practicable after any notice of termination is served, the Parties shall meet to discuss and determine the arrangements for the disposal of Contract Waste after the termination or expiry of the Agreement or the Waste Services Contract and the Fuel Use Contract.

23. **CONFIDENTIALITY**

23.1 Each Party:

23.1.1 shall treat all Confidential Information belonging to another Party as confidential and safeguard it accordingly;

23.1.2 shall not disclose any Confidential Information belonging to another Party to any other person without the prior written consent of the other Party, except to such persons and to such extent as may be necessary for the performance by it of its obligations under this Agreement or except where disclosure is otherwise expressly permitted by the provisions of this Agreement or the FOIA and/or the EIRs.

23.2 No Party shall use any Confidential Information received pursuant to this Agreement otherwise than for the purposes of the Project, this Agreement, the Waste Services Contract and/or the Fuel Use Contract.

23.3 The provisions of **clauses 23.1 to 23.2** shall not apply to any Confidential Information received by one Party from another:

23.3.1 which is or becomes public knowledge (otherwise than by breach of this **clause 23** or through act or default on the part of the receiving Party or the receiving Party's agents or employees);

23.3.2 which the receiving Party lawfully obtained from a third party who:

23.3.2.1 lawfully acquired it;

23.3.2.2 did not derive it directly or indirectly from the disclosing Party;
and

23.3.2.3 is under no obligation restricting its disclosure;

- 23.3.3 which the receiving Party can prove by documentary evidence was developed independently by an agent or employee of the receiving Party without access to the disclosing Party's Confidential Information;
- 23.3.4 which must be disclosed pursuant to a legal obligation (including for the avoidance of doubt under the FOIA or EIRs) placed upon the Party making the disclosure, including any requirements for disclosure or otherwise in accordance with a court order, or the recommendation, notice or decision of a competent authority; or
- 23.3.5 which the receiving party discloses to a professional adviser to assist in the performance of its obligations under this Agreement and where such professional adviser is bound by an obligation of confidentiality in respect to such Confidential Information at least equivalent to that set out in this **clause 23**.
- 23.4 Without prejudice to the generality of **clause 23.3.1**, Confidential Information shall not be deemed to be generally available to the public by reason that it is known only to a few of those people to whom it might be of commercial interest, and a combination of two or more portions of the Confidential Information shall not be deemed to be generally available to the public by reason only of each separate portion being so available.
- 23.5 Nothing in this **clause 23** shall prevent any Party from using any techniques ideas or know how gained during the performance of the Agreement in the course of its normal business, to the extent that this does not result in a disclosure of Confidential Information.
- 23.6 The provisions of this **clause 23** shall continue following the Expiry Date or earlier termination for any reason of this Agreement without limit in time.

24. **FREEDOM OF INFORMATION**

- 24.1 Each Party acknowledges that each of the other Parties are subject to the requirements of the FOIA, the EIRs and the Audit Commission Act 1998 and shall assist and cooperate with the other Parties to facilitate compliance with the Information disclosure requirements pursuant to the same.

25. **DATA PROTECTION**

- 25.1 The Parties do not anticipate that the DPA shall apply to this Agreement save that where the DPA shall apply the Parties shall comply with all the relevant provisions of the DPA as may be appropriate.
- 25.2 Each Party shall indemnify and keep indemnified the other Parties against all losses claims damages liabilities judgments penalties fines charges costs and expenses (including reasonable legal costs) arising from or incurred by it as a result of any breach by it of this **clause 25**.

26. **PUBLIC RELATIONS AND PUBLICITY**

- 26.1 The WCAs shall use reasonable endeavours to ensure that they do not by themselves, their employees or agents and shall use reasonable endeavours to procure that any contractors (including the WCAs Collection Contractors) shall not communicate with representatives of the press, television, radio or other communications media on any matter concerning this Agreement, the Waste Services Contract, the Fuel Use Contract or the Project without prior consultation with the Authority, save in accordance with the Communications Plan.
- 26.2 The Authority shall use reasonable endeavours to ensure that it and its employees and agents, and shall use reasonable endeavours to procure that any contractors, shall not communicate with representatives of the press, television, radio or other communications media on any matter concerning this Agreement, the Waste Services Contract, the Fuel Use Contract or the Project without prior consultation with the WCAs, save in accordance with the Communications Plan.
- 26.3 No facilities to photograph or film in or upon any Reception Point, Facility or other property used in relation to the Project shall be given or permitted by the WCAs unless the Authority has given its prior written approval, such approval not to be unreasonably withheld.

27. **WAIVER**

- 27.1 A delay in exercising or failure to exercise a right or remedy under or in connection with this Agreement shall not constitute a waiver of, or prevent or restrict future exercise of, that or any other right or remedy, nor shall the single or partial exercise of a right or remedy prevent or restrict the further exercise of that or any other right or remedy.

27.2 A waiver of any right, remedy, breach or default shall only be valid if it is in writing and signed by the Party giving it, and only in the circumstances and for the purpose for which it was given and shall not constitute a waiver of any other right, remedy, breach or default.

28. NO AGENCY

28.1 Neither the WCAs nor any of their WCA Collection Contractors shall hold themselves out as being the servant or agent of the Authority, otherwise than in circumstances expressly permitted by this Agreement.

29. NO PARTNERSHIP

29.1 Nothing in this Agreement is intended to or shall operate to create a partnership as defined by the Partnership Act 1890 or joint venture of any kind between the Parties or any of them, or to authorise any Party to act as agent for any other, and no Party shall have the authority to act in the name or on behalf of or otherwise to bind any other in any way (including but not limited to the making of any representation or warranty, the assumption of any obligation or liability and the exercise of any right or power).

29.2 Neither the WCAs nor any of their WCA Collection Contractors shall hold themselves out as being authorised to enter into any contract on behalf of the Authority or in any other way to bind the Authority to the performance, variation, release or discharge of any obligation.

29.3 Neither the WCAs nor any of their WCA Collection Contractors shall in any circumstances hold themselves out as having the power to make, vary, discharge or waive any bye law or any regulation of any kind relating to the disposal of Waste.

30. ENTIRE AGREEMENT

30.1 Except where expressly provided in this Agreement, this Agreement constitutes the entire agreement between the Parties in connection with its subject matter and supersedes all prior representations, communications, negotiations and understandings concerning the subject matter of this Agreement.

30.2 Each of the Parties acknowledges that:

- 30.2.1 it does not enter into this Agreement on the basis of and does not rely, and has never relied, upon any statement or representation (whether negligent or innocent) or warranty or other provision (in any case whether oral, written, express or implied) made and agreed to by any person (whether a party to this Agreement or not) except those expressly repeated or referred to in this Agreement and the only remedy or remedies available in respect of any misrepresentation or untrue statement made to it shall be any remedy available under this Agreement; and
- 30.2.2 this **clause 30** shall not apply to any statement, representation or warranty made fraudulently, or to any provision of this Agreement which was induced by fraud, for which the remedies available shall be all those available under the law governing this Agreement.

31. **SEVERABILITY**

- 31.1 If any provision of the Agreement shall be found by any court or administrative body of competent jurisdiction to be invalid or unenforceable the invalidity or unenforceability shall not affect any other provision of the Agreement and all provisions not affected by such invalidity or unenforceability shall remain in full force and effect.
- 31.2 The Parties agree to attempt to substitute for any invalid or unenforceable provision a valid or enforceable provision which achieves to the greatest extent possible the economic legal and commercial objectives of the invalid or unenforceable provision.

32. **COUNTERPARTS**

- 32.1 This Agreement may be executed in any number of counterparts, each of which shall constitute an original, but which shall together constitute one agreement.

33. **NOTICES**

- 33.1 Any demand, notice or other communication given in connection with or required by the Agreement shall be made in writing and shall be delivered to or sent by pre-paid recorded delivery to the recipient at the address stated in **Schedule 9** (Representatives and Contact Details) of this Agreement (or such other address as may be notified in writing from time to time).

33.2 Notices given by post shall be effective upon the earlier of actual receipt and five (5) Business Days after mailing. Notices delivered by hand shall be effective upon delivery. Notices given by facsimile shall be deemed to have been received where there is confirmation of uninterrupted transmission by a transmission report and where there has been no telephonic communication by the recipient to the senders (to be confirmed in writing) that the facsimile has not been received in legible form:

33.2.1 within two (2) hours after sending, if sent on a Business Day between the hours of 9am and 4pm; or

33.2.2 by 11am on the next following Business Day, if sent after 4pm on a Business Day but before 9am on that next following Business Day.

33.3 If a notice is sent by e-mail it shall be effective at the time of sending (except that if an automatic electronic notification is received by the sender within twenty four (24) hours after sending the e-mail informing the sender that the e-mail has not been delivered to the recipient or that the recipient is out of the office, that e-mail shall be deemed not to have been served) provided that if a notice or communication is served before 9am on a Business Day it shall be deemed to be served at 9am on that Business Day and if it is served on a day which is not a Business Day or after 4pm on a Business Day it shall be deemed to be served at 9am on the immediately following Business Day.

34. **THIRD PARTY RIGHTS**

34.1 No term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999 by a person who is not a party to this Agreement.

35. **GOVERNING LAW**

This Agreement, and any non-contractual obligations arising out of or in connection with it, shall be governed by and constructed in all respects in accordance with the laws of England. Subject to **Schedule 8** (Disputes Resolution Procedure), the Parties submit to the exclusive jurisdiction of the courts of England and Wales.

In witness whereof this Agreement is executed by the parties or their duly authorised representatives as a Deed and delivered on the date of this Agreement.

EXECUTED as a Deed by affixing)
the common seal of)
NORTH LONDON WASTE AUTHORITY)
in the presence of:)

Authorised Representative

EXECUTED as a Deed by affixing)
the common seal of)
LONDON BOROUGH OF BARNET)
in the presence of:)

Authorised Representative

EXECUTED as a Deed by affixing)
the common seal of)
LONDON BOROUGH OF CAMDEN)
in the presence of:)

Authorised Representative

EXECUTED as a Deed by affixing)
the common seal of)
LONDON BOROUGH OF ENFIELD)
in the presence of:)

Authorised Representative

EXECUTED as a Deed by affixing)
the common seal of)
LONDON BOROUGH OF HACKNEY)
in the presence of:)

Authorised Representative

EXECUTED as a Deed by affixing)
the common seal of)
LONDON BOROUGH OF HARINGEY)
in the presence of:)

Authorised Representative

EXECUTED as a Deed by affixing)
the common seal of)
LONDON BOROUGH OF ISLINGTON)
in the presence of:)

Authorised Representative

EXECUTED as a Deed by affixing)
the common seal of)
LONDON BOROUGH OF)
WALTHAM FOREST)
in the presence of:)

Authorised Representative

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SCHEDULES 1-3 PARTS A AND B

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1. SCHEDULE 1 PART A1: WCA Collection systems

	Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
Vehicle Type 1					RCV		
Streams Collected					Residual		
Vehicle Type 2					RCV		
Streams Collected					Dry Recyclates		
Vehicle Type 3					Split Bodied RCV		
Streams Collected					Dry Recyclates and Organic Waste		
Vehicle Type 4					RCV		
Streams Collected					Mixed Organics		
Vehicle Type 5					Split Bodied RCV		
Streams Collected					Residual and Dry Recyclates (for traders and flats above shops)		
Vehicle Type 6					Cage Tipper		
Streams Collected					Street Cleansing		

	Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
Vehicle Type 7							
Streams Collected							
Vehicle Type 8					Van		
Streams Collected					Bulky Waste		

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Vehicle Type 9	Mechanical Broom
Streams Collected	Street Cleansing
Vehicle Type 10	
Streams Collected	
Vehicle Type 11	
Streams Collected	
Vehicle Type 12	
Streams Collected	
Vehicle Type 13	Cage Tipper
Streams Collected	Parks/Horticultural Waste
Vehicle Type 14	
Streams Collected	
Vehicle Type 15	Van
Streams Collected	Clinical Waste

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	Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
Vehicle Type 16					Van		Tipper
Streams Collected					Workshops waste (Vehicle Breakdowns)		Construction
Vehicle Type 17	Grab						Grab
Streams Collected	Street Cleansing/Hortic						Street Cleansing

	ultural	
Vehicle Type 18	Van	Van
Streams Collected	Street cleansing/Fly tips	Street cleansing/Fly tips

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SCHEDULE 1 PART A2: WCA Collection systems

	Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
Vehicle Type 1					RCV		
Streams Collected					Residual		
Av loads p.a.					9000		
Vehicle Type 2					RCV		
Streams Collected					Dry recyclates (commingled)		
Av loads p.a.					1000		
Vehicle Type 3					Split Bodied RCV		
Streams Collected					Dry recyclates (commingled) & Mixed organics		
Av loads p.a.					Dry recyclates (commingled) – 6500 Mixed organics – 5000		
Vehicle Type 4					RCV		
Streams Collected					Green waste		
Av loads p.a.					300		
Vehicle Type 5					Split Bodied RCV		
Streams Collected					Dry recyclates (commingled) & Residual		
					Dry recyclates		

	Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
Av loads p.a.					(commingled) – 500 Residual - 1500		
Vehicle Type 6					Cage Tipper		
Streams Collected					Street Cleansing		
Av loads p.a.					6000		
Vehicle Type 7					Mechanical Broom		
Streams Collected					Street Cleansing		
Av loads p.a.					3500		
Vehicle Type 8					Cage Tipper / transit		
Streams Collected					Bulky residual		
Av loads p.a.					3000		
Vehicle Type 9					Cage Tipper / transit		
Streams Collected					Construction/ renovation residual		
Av loads p.a.					1500		
Vehicle Type 10					Grab lorry		
Streams Collected					Flytipping		
Av loads p.a.					600		
Vehicle Type 11					Skip lorry		
Streams Collected					Bulky residual		

	Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
Av loads p.a.					300		
Vehicle Type 12					Cage Tipper		
Streams Collected					Parks/ horticultural waste		
Av loads p.a.					1500		
Vehicle Type 13					Van		
Streams Collected					Clinical		
Av loads p.a.					300		
Vehicle Type 14					Van		
Streams Collected					Dog mess		
Av loads p.a.					250		
Vehicle Type 15							
Streams Collected							
Av loads p.a.							
Vehicle Type 16							
Streams Collected							
Av loads p.a.							
Vehicle Type 17							
Streams Collected							
Av loads p.a.							
Vehicle Type 18							
Streams Collected							

Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
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Av loads p.a.

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SCHEDULE 1 PART B: WCA Collection systems

Not for completion at this stage

	Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
Vehicle Type 1							
Streams Collected							
Av loads p.a.							
Vehicle Type 2							
Streams Collected							
Av loads p.a.							
Vehicle Type 3							
Streams Collected							
Av loads p.a.							
Vehicle Type 4							
Streams Collected							
Av loads p.a.							
Vehicle Type 5							
Streams Collected							
Av loads p.a.							
Vehicle Type 6							
Streams Collected							
Av loads p.a.							
Vehicle Type 7							

	Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
Streams Collected							
Av loads p.a.							
Vehicle Type 8							
Streams Collected							
Av loads p.a.							
Vehicle Type 9							
Streams Collected							
Av loads p.a.							
Vehicle Type 10							
Streams Collected							
Av loads p.a.							
Vehicle Type 11							
Streams Collected							
Av loads p.a.							
Vehicle Type 12							
Streams Collected							
Av loads p.a.							
Vehicle Type 13							
Streams Collected							
Av loads p.a.							
Vehicle Type 14							
Streams Collected							
Av loads p.a.							

	Barnet	Camden	Enfield	Hackney	Haringey	Islington	Waltham Forest
Vehicle Type 15							
Streams Collected							
Av loads p.a.							

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2. SCHEDULE 2 PART A1: FORECAST TONNAGES

Each of the WCAs or WCA Collection Contractors (as relevant) have provided the Authority with forecast tonnages in accordance with **clause 10** (Forecast Tonnages) annualised for the length of the Waste Services Contract and the Fuel Use Contract excluding forecast tonnages for HWRC wastes:

Extract taken from Committed Investment Model (ISDSversion) for NLWA IAA Schedule 2 Part A												
05/01/2011												
	Haringey	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	Source Segregated Dry Recyclables	1,743	1,790	1,834	1,876	1,916	1,940	1,964	1,988	2,011	2,027	2,043
	Commingled Dry Recyclables	19,038	21,564	22,680	23,566	24,487	25,231	25,637	26,165	26,320	26,476	26,805
	Garden Waste (Separately Collected)	-	-	-	-	-	-	-	-	-	-	-
	Kitchen Waste (Separately Collected)											
	Commingled Garden and Kitchen Waste	8,107	9,030	9,636	10,293	10,637	11,041	11,272	11,339	11,392	11,612	11,667
	Residual Waste Unsuitable for Solution (Landfill)	4,048	3,792	3,621	3,447	3,273	3,136	3,051	2,965	2,878	2,811	2,743
	Residual Waste Suitable for Solution	69,520	65,287	64,995	63,264	61,827	60,576	61,507	61,037	60,973	60,769	60,576
	Clinical Waste	145	145	146	147	147	148	149	150	150	151	152
	Total	102,601	101,607	102,912	102,593	102,287	102,073	103,579	103,643	103,725	103,846	103,986

Extract taken from Committed Investment Model (ISDSversion) for NLWA IAA Schedule 2 Part A												
05/01/2011												
	Haringey	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
	Source Segregated Dry Recyclables	2,059	2,075	2,077	2,079	2,080	2,082	2,084	2,086	2,087	2,089	2,091
	Commingleed Dry Recyclables	26,964	27,154	27,279	27,405	27,532	27,660	27,818	27,947	28,076	28,206	28,337
	Garden Waste (Separately Collected)	-	-	-	-	-	-	-	-	-	-	-
	Kitchen Waste (Separately Collected)											
	Commingled Garden and Kitchen Waste	11,716	11,878	11,928	11,978	12,028	12,079	12,149	12,200	12,252	12,303	12,355
	Residual Waste Unsuitable for Solution (Landfill)	2,675	2,606	2,606	2,606	2,606	2,606	2,606	2,606	2,606	2,606	2,606
	Residual Waste Suitable for Solution	60,541	60,381	60,537	60,695	60,853	61,012	61,122	61,282	61,444	61,606	61,769
	Clinical Waste	153	153	154	155	156	157	157	158	159	160	160
	Total	104,108	104,248	104,582	104,918	105,256	105,595	105,937	106,279	106,624	106,970	107,318

Extract taken from Committed Investment Model (ISDSversion) for NLWA IAA Schedule 2 Part A

05/01/2011									
	Haringey	2034	2035	2036	2037	2038	2039	2040	2041
	Source Segregated Dry Recyclables	2,093	2,094	2,096	2,098	2,100	2,102	2,104	2,105
	Commingled Dry Recyclables	28,498	28,630	28,763	28,896	29,030	29,195	29,330	29,466
	Garden Waste (Separately Collected)	-	-	-	-	-	-	-	-
	Kitchen Waste (Separately Collected)								
	Commingled Garden and Kitchen Waste	12,427	12,479	12,531	12,584	12,637	12,710	12,764	12,818
	Residual Waste Unsuitable for Solution (Landfill)	2,606	2,606	2,606	2,606	2,606	2,606	2,606	2,606
	Residual Waste Suitable for Solution	61,882	62,047	62,213	62,379	62,546	62,664	62,913	63,163
	Clinical Waste	161	162	163	164	165	165	166	167
	Total	107,668	108,019	108,372	108,727	109,084	109,443	109,883	110,326

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SCHEDULE 2 PART A2: FORECAST TONNAGES

Each of the WCAs shall provide the Authority with forecast tonnages in accordance with **clause 10** (Forecast Tonnages) and in the form of the table outlined below, annualised for the length of the Waste Services Contract and the Fuel Use Contract. Tonnage forecasts for HWRC wastes will be included in this Schedule by the Authority.

WCAs shall also supply their annual recycling rate for household waste in accordance with the NI 192 definition as current with WasteDataFlow on 30 March 2011 and their annual recycling rate for non-household waste in accordance with the principle of the same NI 192 definition.

To be completed separately by each WCA

HARINGEY

* Indicates subject to GMT

In line with the provisions of Clause 10.5 the Authority shall use reasonable endeavours to ensure that there is no Guaranteed Minimum Tonnage applied to separately collected and separately delivered green waste

Material Stream	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Source Segregated Dry Recyclables	519	595	672	749	827	875	924	973	1,022	1,056	1,091
Commingled Dry Recyclables*	16,311	18,369	19,536	20,793	21,853	22,852	23,482	23,894	24,293	24,655	25,022
Garden Waste (Separately Collected)	263	886	1,013	1,058	1,080	1,101	1,124	1,145	1,147	1,149	1,151
Kerbside Kitchen Waste											
Commingled Organic Waste*	5,678	6,500	7,530	8,544	8,658	8,772	8,886	8,999	9,113	9,131	9,150
Residual Waste not suitable for solution											
Residual Waste suitable for solution											
Total Residual Waste *	77,836	74,902	72,230	68,654	67,861	66,388	65,234	63,679	63,437	63,086	63,100
Clinical Waste	143	144	145	145	146	147	147	148	149	150	150
Misc Combustibles and Recyclables											
HWRC Residual Waste*											
NI 192	25.71%	29.23%	31.75%	34.83%	35.92%	37.30%	38.37%	39.34%	39.67%	40.00%	40.16%
Non-h'hold Recycling	0.20%	0.55%	0.79%	0.99%	1.20%	1.43%	1.66%	1.71%	1.73%	1.74%	1.74%

Material Stream	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Source Segregated Dry Recyclables	1,126	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161
Commingled Dry Recyclables*	25,390	25,545	25,594	25,642	25,691	25,740	25,789	25,837	25,887	25,937	25,986
Garden Waste (Separately Collected)	1,152	1,155	1,156	1,157	1,158	1,160	1,161	1,162	1,163	1,165	1,166
Kerbside Kitchen Waste											
Commingled Organic Waste*	9,168	9,186	9,204	9,222	9,240	9,258	9,277	9,295	9,313	9,332	9,350
Residual Waste not suitable for solution											
Residual Waste suitable for solution											
Total Residual Waste *	62,921	62,761	62,945	63,043	63,229	63,416	63,605	63,794	63,982	64,174	64,365
Clinical Waste	151	152	153	153	154	155	156	157	157	158	159
Misc Combustibles and Recyclables											
HWRC Residual Waste*											

NI 192	40.40%	40.50%	40.46%	40.45%	40.41%	40.37%	40.32%	40.28%	40.23%	40.19%	40.14%
Non-h'hold Recycling	1.74%	1.75%	1.74%	1.74%	1.73%	1.73%	1.72%	1.72%	1.71%	1.71%	1.70%

Material Stream	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Source Segregated Dry Recyclables	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161
Commingled Dry Recyclables*	26,035	26,085	26,135	26,184	26,234	26,285	26,335	26,385	26,462	26,539
Garden Waste (Separately Collected)	1,167	1,168	1,170	1,171	1,172	1,173	1,175	1,176	1,178	1,180
Kerbside Kitchen Waste										
Commingled Organic Waste*	9,369	9,387	9,406	9,424	9,443	9,462	9,480	9,499	9,518	9,537
Residual Waste not suitable for solution										
Residual Waste suitable for solution										
Total Residual Waste *	64,558	64,752	64,947	65,143	65,338	65,535	65,734	65,932	66,070	66,209
Clinical Waste	160	160	161	162	163	164	165	165	165	165
Misc Combustibles and Recyclables										
HWRC Residual Waste*										

NI 192	40.10%	40.05%	40.01%	39.96%	39.92%	39.87%	39.83%	39.78%	39.79%	39.80%
Non-h'hold Recycling	1.70%	1.69%	1.69%	1.68%	1.68%	1.67%	1.67%	1.66%	1.66%	1.65%

SCHEDULE 2 PART B: FORECAST TONNAGES

Each of the WCAs shall provide the Authority with forecast tonnages in accordance with **clause 10** (Forecast Tonnages) and in the form of the table outlined below, annualised for the length of the Waste Services Contract and the Fuel Use Contract. Tonnage forecasts for HWRC wastes will be included in this Schedule by the Authority.

WCAs shall also supply their annual recycling rate for household waste in accordance with the NI 192 definition as current with WasteDataFlow on 30 March 2011 and their annual recycling rate for non-household waste in accordance with the principle of the same NI 192 definition.

To be completed separately by each WCA

HARINGEY

* Indicates subject to GMT

In line with the provisions of Clause 10.5 the Authority shall use reasonable endeavours to ensure that there is no Guaranteed Minimum Tonnage applied to separately collected and separately delivered green waste

Material Stream	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Source Segregated Dry Recyclables	519	595	672	749	827	875	924	973	1,022	1,056	1,091
Commingled Dry Recyclables*	16,311	18,369	19,536	20,793	21,853	22,852	23,482	23,894	24,293	24,655	25,022
Garden Waste (Separately Collected)	263	886	1,013	1,058	1,080	1,101	1,124	1,145	1,147	1,149	1,151
Kerbside Kitchen Waste											
Commingled Organic Waste*	5,678	6,500	7,530	8,544	8,658	8,772	8,886	8,999	9,113	9,131	9,150
Residual Waste not suitable for solution											
Residual Waste suitable for solution											
Total Residual Waste *	77,836	74,902	72,195	68,612	67,813	66,344	65,194	63,678	63,435	63,084	63,099
Clinical Waste	143	144	145	145	146	147	147	148	149	150	150
Misc Combustibles and Recyclables											
NI 192	25.71%	29.23%	31.75%	34.83%	35.92%	37.30%	38.37%	39.34%	39.67%	40.00%	40.16%
Non-h'hold Recycling	0.20%	0.55%	0.79%	0.99%	1.20%	1.43%	1.66%	1.71%	1.73%	1.74%	1.74%

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Material Stream	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Source Segregated Dry Recyclables	1,126	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161
Commingled Dry Recyclables*	25,390	25,545	25,594	25,642	25,691	25,740	25,789	25,837	25,887	25,937	25,986
Garden Waste (Separately Collected)	1,152	1,155	1,156	1,157	1,158	1,160	1,161	1,162	1,163	1,165	1,166
Kerbside Kitchen Waste											
Commingled Organic Waste*	9,168	9,186	9,204	9,222	9,240	9,258	9,277	9,295	9,313	9,332	9,350
Residual Waste not suitable for solution											
Residual Waste suitable for solution											
Total Residual Waste *	62,919	62,760	62,943	63,041	63,228	63,414	63,604	63,793	63,981	64,173	64,364
Clinical Waste	151	152	153	153	154	155	156	157	157	158	159
Misc Combustibles and Recyclables											

NI 192	40.40%	40.50%	40.46%	40.45%	40.41%	40.37%	40.32%	40.28%	40.23%	40.19%	40.14%
Non-h'hold Recycling	1.74%	1.75%	1.74%	1.74%	1.73%	1.73%	1.72%	1.72%	1.71%	1.71%	1.70%

Material Stream	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043
Source Segregated Dry Recyclables	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161	1,161
Commingled Dry Recyclables*	26,035	26,085	26,135	26,184	26,234	26,285	26,335	26,385	26,462	26,539
Garden Waste (Separately Collected)	1,167	1,168	1,170	1,171	1,172	1,173	1,175	1,176	1,178	1,180
Kerbside Kitchen Waste										
Commingled Organic Waste*	9,369	9,387	9,406	9,424	9,443	9,462	9,480	9,499	9,518	9,537
Residual Waste not suitable for solution										
Residual Waste suitable for solution										
Total Residual Waste *	64,556	64,751	64,945	65,142	65,337	65,534	65,733	65,931	66,069	66,207
Clinical Waste	160	160	161	162	163	164	165	165	165	165
Misc Combustibles and Recyclables										

NI 192	40.10%	40.05%	40.01%	39.96%	39.92%	39.87%	39.83%	39.78%	39.79%	39.80%
Non-h'hold Recycling	1.70%	1.69%	1.69%	1.68%	1.68%	1.67%	1.67%	1.66%	1.66%	1.65%

3. SCHEDULE 3 PART A1: PREFERRED RECEPTION POINTS

Haringey										
		Edmonton	Edmonton % Split	Pinkham Way	Pinkham Way % Split	Hendon	Hendon % Split	Hornsey Street	Hornsey Street % Split	
Refuse Collection - Kerbside and Estates/flats		P	60	P	40	N	0	S	0	
Dry Recyclables - Kerbside, Estates, Bring, Schools, Parks		P	60	P	40	N	0	S	0	
Kerbside Organic (Food and Garden) Waste	Split body	P	60	P	40	N	0	S	0	
Clinical Waste		P	60	S	40	N	0	N	0	
Parks Green waste		P	60	P	40	N	0	S	0	
Trade and Council offices - residual and recycling	Split body	P	60	P	40	N	0	S	0	
Street Cleaning / Litter Bins		P	60	P	40	N	0	S	0	
Gully Emptying		P	60	P	40	N	0	S	0	
Fly Tips		P	60	P	40	N	0	S	0	
Property maintenance (construction)		P	60	S	40	N	0	N	0	
Household Bulky Collection / WEEE		P	60	P	40	N	0	S	0	
Key				Comments						
Preferred Primary Destination	P			Note - this document has been updated following receipt of ISDS submissions.						
Acceptable Secondary Destination - for bank holidays and emergencies only	S			Please note which vehicles are split bodied: Dry Recyclates and Organic Waste						
Not Desirable	N			Residual and Dry Recyclates (for traders and flats above shops)						
Not Applicable to Waste Type	N/A			Note that Haringey only has one RCV for organic waste (the majority of the organic is collected by the split-bodies doing dry and organics of which they have about 11 vehicles).						
Address of Current Vehicle Depot										
Ashley Road Depot, N17										
Potential depot relocation to Marsh Lane, N17 in coming 2-4 years										

SCHEDULE 3 PART A2: SPECIFIED RECEPTION POINTS

Haringey Draft

HARINGEY

Address of Vehicle Depot: Ashley Road Depot, N17. Potential depot relocation to Marsh Lane, N17 at future date (post-2015)

Additional Notes Relevant to the Delivery Point:

IMPORTANT NOTE: Where split-body vehicles with a split of preferred delivery points between Edmonton and Pinkham Way are indicated, all streams carried by an individual vehicle must be able to be tipped at the same site, e.g. Split body recycling vehicles will tip both mixed organics and dry commingled recycling at the same site - 60% of tips at Edmonton, 40% at Pinkham Way.

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Kerbside Refuse Collection	No		Edmonton	96	Hornsey Street	4	Edmonton	65	Pinkham Way	31	Hornsey Street	4
Bulk Refuse Container Collections	No		Edmonton	96	Hornsey Street	4	Edmonton	65	Pinkham Way	31	Hornsey Street	4
Kerbside Dry Recyclables	Yes	Dry recycling and mixed organics (Twin Pack)	Greenstar (Ardra Road MRF)	92	Hornsey Street	8	Edmonton	60	Pinkham Way	32	Hornsey Street	8
Organic Garden Waste (Kerbside Collected)	No		Edmonton	100			Edmonton	65	Pinkham Way	35		
Garden Waste	N/A											
Kitchen Waste	No		Edmonton	100			Edmonton	65	Pinkham Way	35		

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Mixed Organic Waste	Yes	Dry recycling and mixed organics (Twin Pack)	Edmonton	100			Edmonton	65	Pinkham Way	35		
Education Establishment	N/A											
Hospital Collection	N/A											
Nursing / Residential Homes	N/A											
Fouled Recycling Banks	N/A											
Charity Collections	N/A											
Residents Clean Up	N/A											
House Clearance (Occupied)	N/A											
Upstream Household Recycling	N/A											

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Other Dry Recyclables (Bring, Estates, Schools, Council offices)	No		Greenstar (Ardra Road MRF)	92	Hornsey Street	8	Edmonton	60	Pinkham Way	32	Hornsey Street	8
Clinical Waste	No		Edmonton	100			Edmonton	100				
Parks Litter	No		Edmonton	100			Edmonton	100				
Household Bulky waste recycling	No		Edmonton	100			Edmonton	60	Pinkham Way	40		
Furniture	No		Edmonton	100			Edmonton	60	Pinkham Way	40		
House Clearance (Unoccupied)	No		Edmonton	100			Edmonton	100				
Open Space Recycling	N/A											
Open Space Maintenance	No		Edmonton	100			Edmonton	100				
Offices, Shops, Traders Etc. - Recycling	Yes	Refuse and Dry recycling (Twin Pack)	Greenstar (Ardra Road MRF)	100			Edmonton	60	Pinkham Way	40		

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Offices, Shops, Traders Etc. - Refuse	Yes	Refuse and Dry recycling (Twin Pack)	Edmonton	100			Edmonton	60	Pinkham Way	40		
Internal Council Waste	N/A											
Market Waste	N/A											
Confidential Waste	N/A											
Condemned Food	N/A											
Upstream Commercial Waste Recycling	N/A											
Compostable street leaves	No		Edmonton	100			Edmonton	40	Pinkham Way	60		
Street Cleaning / Litter Bins	No	Includes some flytip not collected by dedicated flytip vehicles	Edmonton	100			Edmonton	70	Pinkham Way	30		
Street Cleaning	No		Edmonton	100			Edmonton	70	Pinkham Way	30		

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Litter Bins	No		Edmonton	100			Edmonton	70	Pinkham Way	30		
Gully Emptying	N/A											
Fly Tipped Council Land	No		Edmonton	100			Edmonton	70	Pinkham Way	30		
Fly Tipped Waste Private Land	No		Edmonton	100			Edmonton	70	Pinkham Way	30		
Fridge / Freezer Collections	No		Edmonton	100			Edmonton	65	Pinkham Way	35		
WEEE Collections	No		Edmonton	100			Edmonton	65	Pinkham Way	35		
Highway Maintenance	N/A											
Property Maintenance	No		Edmonton	100			Edmonton	100				
Household Bulky Collection	No		Edmonton	100			Edmonton	65	Pinkham Way	35		
Cement / Asbestos Collections	No		Edmonton	100			Edmonton	100				

SCHEDULE 3B FINAL RECEPTION POINTS

Haringey Draft

HARINGEY

Not for completion at this stage

Address of Vehicle Depot: Ashley Road Depot, N17. Potential depot relocation to Marsh Lane, N17 at future date (post-2015)

Additional Notes Relevant to the Delivery Point:

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Kerbside Refuse Collection												
Bulk Refuse Container Collections												
Kerbside Dry Recyclables												
Organic Garden Waste (Kerbside Collected)												
Garden Waste												
Kitchen Waste												
Mixed Organic Waste												

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Education Establishment												
Hospital Collection												
Nursing / Residential Homes												
Fouled Recycling Banks												
Charity Collections												
Residents Clean Up												
House Clearance (Occupied)												
Upstream Household Recycling												
Other Dry Recyclables (Bring, Estates, Schools, Council offices)												
Clinical Waste												
Parks Litter												

Haringey Draft

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Household Bulky waste recycling												
Furniture												
House Clearance (Unoccupied)												
Open Space Recycling												
Open Space Maintenance												
Offices, Shops, Traders Etc. - Recycling												
Offices, Shops, Traders Etc. - Refuse												
Internal Council Waste												
Market Waste												
Confidential Waste												
Condemned Food												

Haringey Draft

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Upstream Commercial Waste Recycling												
Compostable street leaves												
Street Cleaning / Litter Bins												Page 90
Street Cleaning												
Litter Bins												
Gully Emptying												
Fly Tipped Council Land												
Fly Tipped Waste Private Land												
Fridge / Freezer Collections												
WEEE Collections												
Highway Maintenance												
Property Maintenance												

Waste Stream Haringey	Split Bodied (Yes or No)	If Split Bodied Materials Collected	Interim				Full Services Commencement					
			Delivery Point	% split of Materials	Delivery Point	% split of Materials	Delivery Point - For Materials Collected East of the Borough	% split of Materials	Delivery Point - For Materials Collected West of the Borough	% split of Materials	Delivery Point - For Materials Collected South of the Borough	% split of Materials
Household Bulky Collection												
Cement / Asbestos Collections												

Haringey Draft

4. SCHEDULE 4 COST RECOVERY MECHANISM PART A1:**LEVYING MECHANISM - IN USE SINCE 1st APRIL 2012**

The Authority and the WCAs have, pursuant to paragraph 4.1(a) of the Joint Waste Disposal Authorities (Levies) (England) Regulations 2006 (the "Regulations"), agreed the method of apportioning the total amount to be levied by the Authority for the 2012/13 financial year and until further changed in accordance with this agreement. The agreed method of apportionment is set out below and is expressed by way of amendment to the text of the Regulations.

TO BE REPLACED BY SCHEDULE 4A2, IF AGREED BY ALL THE PARTIES BUT OTHERWISE TO BE REPLACED BY SCHEDULE 4B AT THE MENU PRICING COMMENCEMENT DATE

 STATUTORY INSTRUMENTS

**Alternative Form of Levy Regulations to be adopted by
NLWA constituent authorities**

LOCAL GOVERNMENT, ENGLAND

FINANCE

The Joint Waste Disposal Authorities (Levies) (England)
Regulations 2006. No. 248 **(as amended by NLWA)**

*Made - - - - 6th February 2006
Laid before Parliament 8th February 2006
Coming into force - - 1st March 2006*

The Secretary of State for the Environment, Food and Rural Affairs makes the following Regulations in exercise of the powers conferred by sections 74 and 143(1) and (2) of the Local Government Finance Act 1988(a).

Citation, commencement, application and interpretation

1.—(1) These Regulations may be cited as the Joint Waste Disposal Authorities (Levies) (England) Regulations 2006 and come into force on 1st March 2006.

(2) These Regulations apply to England only.

(3) In these Regulations—

“the 1985 Order” means the Waste Regulation and Disposal (Authorities) Order 1985(b);

“the 1992 Regulations” means the Levying Bodies (General) Regulations 1992(c);

“constituent council” means, in relation to a joint waste disposal authority, a council specified in relation to that authority in Schedule 1 to the 1985 Order;

“financial year” means any period of twelve months beginning with 1st April;

“joint waste disposal authority” means any of the authorities established under the 1985 Order and named in Schedule 1 to that Order.

(a) 1988 c. 41. Section 74 was amended by the Local Government Finance Act 1992 (1992 c. 14), sections 117(1) and Schedule 13 paragraph 72(1) and (2), the Local Government (Wales) Act 1994 (1994 c. 19), section 20(4) and Schedule 6, paragraph 21, the Environment Act 1995 (1995 c. 25), section 120 and Schedule 1, the Greater London Authority Act 1999 (1999 c. 29), section 105, the Criminal Justice and Court Services Act 2000 (2000 c. 43), section 74 and Schedule 7, Part II, paragraphs 84 and 85, the Courts Act 2003 (2003 c. 39), section 109(1), and Schedule 8, paragraph 305(a), the Regional Assemblies (Preparations) Act 2003 (2003 c. 10), section 17(6) and paragraphs 3(1) and (2) of the Schedule, and the Fire and Rescue Services Act 2004 (2004 c. 21), section 53(1) and Schedule 1, paragraph 68(1) and (2). The functions of the Secretary of State, so far as exercisable in relation to Wales, were transferred to the National Assembly for Wales by the National Assembly for Wales (Transfer of Functions) Order 1999, S.I. 1999/672, article 2, Schedule 1.

(b) S.I. 1985/1884, amended by the Radioactive Substances Act 1993 (1993 c. 12), section 50 and Schedule 6, Part IV, S.I. 1986/564 and 2001/1149.

(c) S.I. 1992/2903 amended by S.I. 2001/3649.

Scope

2. These Regulations apply in relation to levies—

(a) issued by joint waste disposal authorities; or

(b) anticipated by constituent councils of joint waste disposal authorities,

in respect of any financial year beginning on or after 1st April 2006.

Levies

3.—(1) A joint waste disposal authority may, in accordance with these Regulations, issue levies on its constituent councils to meet all liabilities falling to be discharged by it for which no provision is otherwise made.

(2) A levy on a constituent council shall be issued by giving the council a demand stating the date or dates on or before which a payment or payments in respect of the levy are required to be made and the amount of that payment or each of those payments.

(3) Subject to paragraph (4) the demand shall be given before 15th February in the financial year preceding that to which the levy relates.

(4) In relation to a levy for the financial year beginning on 1st April 2006, the demand shall be given before 3rd March 2006.

(5) The failure by a joint waste disposal authority to give a demand before the dates specified in paragraphs (3) and (4) shall not render the demand invalid because it is issued on or after those dates.

Apportionment of levies

4.—(1) Subject to regulation 5, the amount to be levied by a joint waste disposal authority in respect of any financial year from each of its constituent councils shall be determined by apportioning the total amount to be levied by that authority in that year between those councils as follows—

(a) in such proportions as all the constituent councils may agree; or

(b) in the absence of such agreement, by a combination of the following proportions—

(i) the costs incurred by the joint waste disposal authority in the disposal or treatment of household waste delivered to it by its constituent councils shall be apportioned between the constituent councils in proportion to the tonnage of household waste delivered by each of these councils to the joint waste disposal authority within the last complete financial year for which data are available;

(ii) the costs incurred by the joint waste disposal authority in the disposal or treatment of business refuse that is deposited at places provided by the constituent councils under section 1 of the Refuse Disposal (Amenity) Act 1978(a) shall be apportioned between the constituent councils in proportion to the tonnage of business refuse deposited at such places within the area of each of these councils within the last complete financial year for which data are available; ~~and~~

(iii) The costs incurred by the joint waste disposal authority in the planning, construction, equipping and operation of sites provided under section 51(1)(b) of the Environmental Protection Act 1990 (HWRCs), including contract payments, staffing, utilities, premises, reuse, recycling, composting (costs and/or income) and relevant management costs, but excluding the cost of removing residual waste and its disposal (the authority's duty under the Refuse Disposal (Amenity) Act 1978), shall be apportioned between those constituent councils in whose area an HWRC is situated proportionate to the authority's relative costs applicable to each HWRC, such that the authority's above costs of each HWRC are paid in full by the constituent council in which it is situated.

(iv) The costs incurred by the joint waste disposal authority in the purchasing of Cranford Way HWRC shall be apportioned between the constituent councils in the following proportions:

Barnet	0.613%
Camden	0.038%
Enfield	0.383%
Hackney	0.191%
Haringey	97.894%
Islington	0.804%
Waltham Forest	0.077%

(v) The costs incurred by the joint waste disposal authority in the purchasing of any further HWRCs shall be apportioned between the constituent councils in proportion to the number of households in each constituent council that exist within a two-mile radius of the entrance to the HWRC until a visitor survey has been undertaken by the Authority. Once a visitor survey has been undertaken by the Authority for any such HWRC the costs as at clause (iii) above shall be recovered from the constituent councils from the next financial year onwards in proportion to such visitor survey; visitors from outside the Authority's area shall be treated as visitors from the borough in which the HWRC is situated. Further visitor surveys may be undertaken by the Authority in future years, which shall be used in place of previous visitor surveys from the financial year after they are undertaken, including for the avoidance of doubt Cranford Way; and

(vi)(iii) all other costs not falling within paragraphs (i) ~~or (ii)~~ (iii) (iv) or (v), shall be apportioned between the constituent councils by reference to the relevant proportion.

(2) For the purposes of paragraph 1(b) (vi)(iii), "the relevant proportion" is the relevant proportion determined in accordance with paragraphs (5) to (7) of regulation 6 of the 1992 Regulations but as if, in those paragraphs, the references to —

(a) "levying body" were references to a joint waste disposal authority; and

(a) 1978 c.3. Section 1 has been prospectively repealed, in relation to England and Wales, by the Environmental Protection Act 1990 (1990 c.43) section 162 and Schedule 16, Part II, as from a day to be appointed. Amended by the Environmental Protection Act 1990, section 162, Schedule 15, paragraphs 19(2) and (3) and S.I. 1985/1884. Modified, in relation to the area of a London waste disposal authority, by S.I. 1985/1884.

(b) “relevant authority” and “billing authority” were references to a constituent council.

(3) Where paragraph (1)(b) applies to the determination of a levy to be issued in respect of any financial year beginning on or after 1st April 2007, a constituent council shall, within the period beginning on 1st December and ending on 31st January in the financial year preceding the financial year in respect of which the levy is to be issued, inform the joint waste disposal authority of—

- (a) the tonnage of household waste delivered to the joint waste disposal authority for disposal or treatment within the last complete financial year for which data are available;
- (b) the tonnage of business refuse that was deposited at places provided by the constituent council under section 1 of the Refuse Disposal (Amenity) Act 1978 within the last complete financial year for which data are available; and
- (c) the council tax base, determined in accordance with paragraphs (6) and (7) of regulation 6 of the 1992 Regulations, for its area, in respect of which a levy will be issued or it anticipates that a levy will be issued in the immediately following financial year.

(4) In this regulation—

“household waste”, has the same meaning as in section 75 of the Environmental Protection Act 1990(a);

“business refuse” means refuse falling to be disposed of in the course of a business, and

“refuse” has the same meaning as in section 1(7) of the Refuse Disposal (Amenity) Act 1978.

Special provisions relating to the Greater Manchester Waste Disposal Authority

5.—(1) The amount to be levied by the Greater Manchester Waste Disposal Authority in respect of any year from the council of the metropolitan district of Wigan shall not include any amount relating to the Authority’s waste disposal functions and, accordingly, that amount shall be borne by the other constituent councils of the Authority in such proportions as they may agree or, in default of agreement, in the proportions specified in regulation 4(1)(b).

(2) In this regulation, “waste disposal functions” means functions vested in the Greater Manchester Waste Disposal Authority by virtue of regulation 5 of, and Schedule 2 to, the 1985 Order which are not exercisable by the Authority in the metropolitan district of Wigan.

Interest on unpaid levies

6.—(1) Where any amount of a levy is not paid by the due date for payment specified in the demand issued under regulation 3, the constituent council shall be liable to pay to the joint waste disposal authority interest, calculated in accordance with paragraph (2), on the amount of the levy issued under these Regulations which remains unpaid after the due date for payment.

(2) The interest payable under paragraph (1) shall be simple interest calculated from day to day on the unpaid amount from the due date for payment until the date when payment is made at a rate equivalent to 2 per cent. above the highest base rate quoted from time to time by any of the reference banks.

(3) For the purposes of paragraph (2) “reference banks” shall be interpreted in accordance with paragraphs (3) to (5) of regulation 10 of the 1992 Regulations (interest on unpaid levies).

(a) 1990 c.43, Section 75 was amended by the Environment Act 1995 (1995 c. 25) section 120(1) and (3), Schedule 22, paragraphs 88 (1) to (4) and Schedule 24. There is other amending legislation in relation to Scotland. Modified by S.I. 1994/1056, regulation 19, Schedule 4, Part I, paragraph 9, to include “Directive waste” as defined in regulation 1(3), Schedule 4, Part II of those Regulations.

Anticipation of levies

7.—(1) A constituent council making calculations in accordance with section 32 or, as the case may be, section 43 of the Local Government Finance Act 1992(a) (“the calculations”) for a financial year (“the year”) may anticipate a levy to be issued on it in accordance with these Regulations for the year by a relevant joint authority in any case where—

- (a) such a levy has not been issued by the relevant joint authority on the constituent council at the time the calculations are made; and
- (b) the relevant joint authority issued a levy for the preceding financial year.

(2) Subject to paragraph (3), where pursuant to paragraph (1) a constituent council anticipates a levy to be issued by a relevant joint authority for the year, the amount of the levy so anticipated shall be equal to the constituent council's estimate, at the time the calculations (or last calculations) are made, of the amount of the levy which it considers likely will be issued on it for the year by the relevant joint authority.

(3) Where a levy has previously been anticipated by a constituent council for the purposes of the calculations for the year, the amount of the levy which may be anticipated by the constituent council for the purposes of any substitute calculations for the year shall be equal to the amount previously anticipated.

(4) Notwithstanding that a constituent council making calculations for a financial year anticipated a levy to be issued on it in accordance with these Regulations by a relevant joint authority—

- (a) where the relevant joint authority issues a levy on the constituent council in accordance with these Regulations, the constituent council shall pay to the relevant joint authority a sum equal to the amount of the levy; and
- (b) where the relevant joint authority does not issue a levy on the constituent council in accordance with these Regulations, the constituent council shall not be liable to pay any sum to the relevant joint authority only by virtue of having anticipated a levy from the relevant joint authority.

(5) In this regulation, a “relevant joint authority”, in relation to a constituent council, means a joint waste disposal authority with power under these Regulations to issue a levy on that council.

Transitional provisions

8.—(1) Save as provided in paragraph (2), the 1992 Regulations shall cease to apply to levies issued or anticipated in accordance with these Regulations in respect of any financial year beginning on or after 1st April 2006.

(2) In relation to levies issued or anticipated in respect of the financial years beginning on 1st April 2006 and on 1st April 2007—

- (a) regulation 4 of these Regulations (apportionment of levies) shall apply to the levies issued by the joint waste disposal authorities specified in the first column of the Schedule to these Regulations in the proportions specified in the second column of that Schedule for each of those financial years; and
- (b) regulation 6 of the 1992 Regulations (apportionment) shall continue to have effect in relation to the proportion of the levy not covered under sub-paragraph (a).

(a) 1992 c.14. Sections 32 and 43 were amended by the Police Act 1997 (1997 c. 50), section 134(1), Schedule 9, paragraphs 67 and 68(2) and (3), the Criminal Justice and Police Act 2001(2001 c. 16), section 137, Schedule 7, Part 5(1), the Local Government Act 2003 (2003 c. 26), section 127(2), Schedule 8, Part 1, the Serious Organised Crime and Police Act 2005, section 174(2), Schedule 17, Part 2 and S.I. 1994/246, 1995/234, 1996/56, 1999/296, 2000/717, 2005/190. There is other amending legislation in relation to Wales. Modified by S.I. 1993/22, 1995/161 and 1995/2889. Section 43 is disapplied by the Greater London Authority Act 1999 (1999 c. 29), section 85.

6th February 2006

Ben Bradshaw
Parliamentary Under Secretary of State
Department for Environment, Food and Rural Affairs

SCHEDULE

Regulation 8(2)

TRANSITIONAL ARRANGEMENTS

<i>JOINT WASTE DISPOSAL AUTHORITIES</i>	<i>PROPORTION OF THE TOTAL LEVY FOR 2006 AND 2007 TO WHICH REGULATION 4 APPLIES</i>
North London Waste Authority West London Waste Authority Western Riverside Waste Authority Merseyside Waste Disposal Authority	33.3% for the financial year beginning on 1st April 2006 66.6% for the financial year beginning on 1st April 2007
Greater Manchester Waste Disposal Authority	50% for the financial year beginning on 1st April 2006 75% for the financial year beginning on 1st April 2007

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EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations confer a power on joint waste disposal authorities established under the Waste Regulation and Disposal (Authorities) Order 1985 (S.I. 1985/1884) (the “1985 Order”) to issue levies on their constituent councils for the purpose of meeting their expenses in respect of financial years beginning on or after 1st April 2006 where, but for section 117 of the Local Government Finance Act 1988 (rates and precepts: abolition), they would have a power under article 7 of the 1985 Order (levies) to require the councils to pay those expenses. These Regulations apply to England only.

The Regulations include provisions as to when levies are to be issued (regulation 3), the apportionment of levies between authorities (regulation 4) as well as special provisions for the Greater Manchester Waste Disposal Authority (regulation 5). The Regulations also make provision for interest on unpaid levies (regulation 6) and the anticipation of levies (regulation 7).

Regulation 8 includes transitional provisions providing for the Levying Bodies (General) Regulations 1992 (S.I. 1992/2903) to cease to apply to levies issued or anticipated by joint waste disposal authorities in respect of any financial year commencing on or after 1st April 2006 except as specified in that regulation and the Schedule to the Regulations.

A full regulatory impact assessment has not been produced for this instrument, as it has no impact on the costs of business.

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STATUTORY INSTRUMENTS

2006 No. 248

**Alternative Form of Levy Regulations to be adopted by
NLWA constituent authorities**

LOCAL GOVERNMENT, ENGLAND

FINANCE

The Joint Waste Disposal Authorities (Levies) (England)
Regulations 2006 **(as amended by NLWA)**

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£3.00

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SCHEDULE 4 COST RECOVERY MECHANISM PART A2:

TRANSITIONAL MENU PRICING

SPECIMEN

The form of any Transitional Menu Pricing shall improve the level of fairness in the allocation or recovery of the Authority's costs amongst or from the WCAs, and shall also be as agreed as workable by the Authority and as formally approved by the WCAs unanimously.

Any form of Transitional Menu Pricing that is implemented shall cease on 31st March 2016, after which date Schedule 4B shall apply.

A proposed form of Transitional Menu Pricing is set out below (being a modification to part of the current method of apportioning the Authority's levy, with proposed modifications to the Levying Mechanism shown in **underlined bold**).

Apportionment of levies

4.—(1) Subject to regulation 5, the amount to be levied by a joint waste disposal authority in respect of any financial year from each of its constituent councils shall be determined by apportioning the total amount to be levied by that authority in that year between those councils as follows—

- (a) in such proportions as all the constituent councils may agree; or
- (b) in the absence of such agreement, by a combination of the following proportions—
 - (i) the costs incurred by the joint waste disposal authority in the disposal or treatment **of each type, as determined by the joint waste disposal authority, of** household waste delivered to it by its constituent councils shall be apportioned between the constituent councils in proportion to the tonnage of **each type, as determined by the joint waste disposal authority, of** household waste delivered by each of these councils to the joint waste disposal authority within the last complete financial year for which data are available;
 - (ii) the costs incurred by the joint waste disposal authority in the disposal or treatment of business refuse that is deposited at places provided by the constituent councils under section 1 of the Refuse Disposal (Amenity) Act 1978(a) shall be apportioned between the constituent councils in proportion to the tonnage of business refuse deposited at such places within the area of each of these councils within the last complete financial year for which data are available.

Any alternative form of Transitional Menu Pricing that is unanimously agreed between the Parties in accordance with this Agreement may be introduced by the Parties and applied by the Authority.

SCHEDULE 4 COST RECOVERY MECHANISM PART B:

MENU PRICING MECHANISM

Preamble

The Parties to the Inter Authority Agreement (IAA) agree that in view of the likelihood of changes to the payment mechanisms to be included in the Waste Disposal Contracts, and the need to mirror these changes in the way in which the Authority recovers its costs from the WCAs, that this Schedule will provide the rules by which the Authority will apportion its costs between the WCAs.

By entering into this Agreement, the Parties agree that the Authority will apportion its costs via a levy for the financial year 2016/17 until the end of the financial year during which this Agreement expires in accordance with the Menu Pricing Levying Apportionment Rules as set out below. These Rules are agreed in accordance with the Levy Regulations (regulation 4(1)(a)) as an alternative to the default levy apportionment methodology also contained therein (regulation 4(1)(b)).

In this Schedule “WCA” means the same as “constituent council” as defined in the Levy Regulations, and “WCAs” means all constituent councils in the Authority’s area.

Introduction

This **Schedule 4C** ensures an equitable allocation of the financial obligations of the Authority including those arising as a consequence of the Waste Services Contract and Fuel Use Contract to each of the WCAs through the IAA. In the context of liabilities and costs under the Waste Services and Fuel Use Contracts, the principle of equitable allocation is that each WCA shall be responsible for the financial consequences of its own behaviour and that of its contractors and agents, such behaviour to be determined primarily by the composition and quantity of Waste delivered by or on behalf of each WCA and managed by the Authority. The principle of equitable allocation shall also apply to any Retained Waste.

This Schedule sets out the process and rules for the recovery from the WCAs of all costs incurred by the Authority, i.e. the Schedule covers recovery of the Authority’s costs in connection with the Authority’s:

- i. Payment obligations under the Waste Services and Fuel Use Contract payment mechanisms.
- ii. Other financial obligations under the Waste Services Contract and Fuel Use Contract.
- iii. Other contract payment obligations in the provision of waste services to the WCAs.
- iv. Revenue cost of funding the Authority’s capital programme, including the acquisition of sites for the waste treatment facilities (e.g. the cost of acquiring LondonWaste Ltd and Pinkham Way), capital contributions which the Authority may make to the Waste Disposal Contractors, and development of any facilities not provided through the Waste Disposal Contracts.
- v. Overheads, administrative costs, and other costs incurred by the Authority in order to fulfil its statutory obligations and other costs which the Authority may decide to incur from time to time.

Current Cost Recovery Arrangements

The Authority's budget is broadly made up of (i) waste treatment services (ii) corporate and other support service costs, (iii) revenue cost of capital investment and (iv) procurement process costs.

The Authority currently approves its annual budget in the February prior to the relevant financial year. After allowance for the recovery of costs for non-household waste and use of available surplus balances the remaining costs of the Authority are recovered through a levy on the WCAs. The WCAs decide how the levy will be apportioned between each WCA. Until and including the financial year 2011/12 the levy was apportioned in accordance with the default provisions of the Joint Waste Disposal Authorities (Levies) (England) Regulations 2006. The levy calculation comprised two elements, the household element of the levy (for household waste tonnages delivered to the Authority) was apportioned between WCAs on a tonnage basis (audited tonnages for the last full year prior to the budget year) and the other costs element (including civic amenity waste) was apportioned on a council tax basis (the council tax base for the relevant budget year). From the financial year 2012/13 the levy is apportioned in accordance with Schedule 4A, which is a unanimously agreed North London alternative to the default provisions that provides for the Authority's additional new costs in relation to HWRCs to be apportioned in a way that is acceptable to all the Parties.

WCAs are notified of the levy and their share of the levy together with a monthly payment schedule before 15th February prior to the relevant budget year. The levy is fixed for the year such that there is no further recourse to WCAs for any additional payments during the year; similarly the Authority is not permitted to make a refund.

The charging arrangement for non-household waste is governed by s52(9) of the Environmental Protection Act 1990. WCAs are provided with an estimate of their financial liability for the relevant financial year together with a monthly payment schedule (also by 15th February). At the end of the financial year there is an annual reconciliation of actual tonnages delivered to the Authority for treatment and actual costs borne by the Authority in the treatment of this waste stream such that a WCA may be required to make an additional payment or entitled to receive a refund.

Menu Pricing Levying Apportionment Mechanism Process

- a) The Authority will prepare a budget every February for the following financial year and this will be used to determine the annual cost of providing a waste service to each WCA.
- b) To assist with the budget process (October to February prior to the relevant financial year) each WCA will be required to provide the Authority with an up-to-date tonnage forecast of their waste streams for the relevant financial year and a medium term forecast of their waste tonnages for the subsequent three years.
- c) These tonnage forecasts will be reviewed by the Authority and notified to the Authority's contractor(s) in order to establish the base payment to be paid to the Waste Disposal Contractors.
- d) The Authority will also calculate its estimated cost for areas of expenditure which fall outside of the Waste Disposal Contracts.

- e) In the case of Non-Household Waste the Authority will notify the WCAs of an estimate of their financial liability for the following financial year together with a monthly payment schedule by 15th February. The cost per tonne for Non-Household Wastes of each of the seven principal waste streams (as defined below) will be the average cost per tonne of all costs to the Authority relating to that principal waste stream, including appropriate performance adjustments.
- f) After the Authority has determined the use of revenue balances the Authority will notify each WCA by 15th February of the total sum to be levied for providing waste services for the following financial year together with a monthly payment schedule.
- g) A WCA's actual liability for each financial year will be determined at the end of the financial year as part of an annual reconciliation process (there will be regular budget reviews during the financial year so that WCAs can follow the progress of actual costs against budget and gauge how this might impact on their actual financial liability for the relevant financial year).
- h) At the end of each financial year, the actual cost to the Authority of providing waste services to each WCA under the levy will be determined by the Authority in accordance with the cost apportionment rules set out in this **Schedule 4B**, and any under or over payment by a WCA will result in a ring-fenced revenue balance (positive or negative) for that WCA to be taken into account in the following financial year's levy apportionment calculation.
- i) At the end of each financial year there will be an annual reconciliation of actual tonnages of the different Non-Household Waste streams delivered to the Authority for treatment and the actual costs borne by the Authority in the treatment of each of these Non-Household Waste streams in accordance with the cost apportionment rules set out in this **Schedule 4B** such that a WCA may be required to make an additional payment or entitled to receive a refund.

Menu Pricing Levying Apportionment Mechanism Rules (the Rules)

1. The levy is used to recover all the costs of the Authority for which no provision is otherwise made. At the time of entering into this Agreement the Authority recovers through the levy all its costs other than the costs recovered through charges for Non-Household Waste in accordance with s.52(9) of the Environmental Protection Act 1990 payable by the WCAs to the Authority.
2. The remaining cost (and income, if any) of services provided by the Waste Disposal Contractors will be accounted for across seven principal waste streams (residual, food, green, mixed organics, mixed dry-recyclables, source segregated recyclables and HWRCs). Ad Hoc Waste, Authority Retained Waste and any other additional contracts or costs which arise in the provision of waste services will be accounted for in a similar way. The waste stream categories may be refined before Financial Close. Fuel Use Contract costs will ordinarily be accounted for within the residual waste stream, but it is possible that financial impacts may fall to other waste streams (for example variations within the supply and treatment of the mixed organics stream may affect the content of the SRF).
3. When the levy is set, each WCA's share of the levy will be calculated in accordance firstly with the Authority's tonnage forecasts for each waste stream delivered by each

WCA and the Authority's projection of relevant costs for each waste stream for the relevant financial year; secondly with the Authority's tonnage forecasts for total Municipal Waste delivered by each WCA and the Authority's projection of other budgeted costs for the relevant financial year; and thirdly with the most recent Visitor Survey for the HWRC waste stream and the Authority's relevant budgeted costs for the relevant financial year

4. Where payment deductions or additions are waste stream specific but not WCA specific (for example MRF performance) these adjustments will be included in the annual reconciliation to determine the final cost per tonne of each waste stream or the final cost for each HWRC.
5. Where deductions and additions are WCA specific these will be deducted or added as adjustments in the annual reconciliation of costs to be borne by each WCA. For the avoidance of doubt this includes transport distance deductions, non-acceptance deductions, some payments made under the Performance Management Framework including those relating to vehicle turnaround times. This category also includes, for example, adjustments in relation to costs arising from WCA liabilities arising under the IAA.
6. For the avoidance of doubt any additional sums payable by the Authority associated with not reaching the Guaranteed Minimum Tonnage or exceeding the Maximum Tonnage shall be calculated in accordance with clause 10 of the IAA for each relevant waste stream and recovered from the relevant WCA(s). This will form part of the annual reconciliation of costs to be borne by each WCA.
7. Where deductions and additions are of a general nature (neither waste-stream nor WCA specific) these will be deducted or added as adjustments in the annual reconciliation of costs to be borne by each WCA. This adjustment will be based upon each WCA's share of the total actual Municipal Waste delivered to the Authority for the relevant financial year.
8. The revenue costs of funding the capital programme (waste treatment sites) will be borne by WCAs in proportion to the tonnes of Municipal Waste delivered to the Authority for the relevant financial year. This will form part of the levy-setting and the annual reconciliation of costs to be borne by each WCA. For the avoidance of doubt the term "Municipal Waste" in these Rules includes both Household Waste and Non-Household Waste. The distribution of any surplus capital receipts that could possibly arise in the future and which are not otherwise required in the opinion of the Authority for the repayment of loans or required to finance other capital investments will be distributed amongst the WCAs in proportion to the actual tonnes of Municipal Waste delivered to the Authority since the Menu Pricing Commencement Date.
9. The revenue costs of funding any capital contributions to the Waste Disposal Contractors shall be apportioned across each of the waste streams in the same proportion as the unitary charge reduction arising from the capital contribution for each waste stream. This will be equated to a cost per tonne (based upon the tonnes of each Municipal Waste stream delivered by the WCAs to the Authority for the relevant financial year). This will form part of the levy-setting and the annual reconciliation of costs to be borne by each WCA.
10. The revenue costs of funding other capital costs (other than HWRCs) will be borne by WCAs in proportion to the tonnes of Municipal Waste delivered to the Authority for the relevant financial year. This will form part of the levy-setting and the annual reconciliation of costs to be borne by each WCA. However, where costs are waste

stream specific they shall in the first instance be allocated to the relevant waste stream and apportioned between WCAs accordingly.

11. All costs in relation to HWRCs will be apportioned by Visitor Survey and, until such time as a visitor survey can be conducted for any new HWRC, the proportion of households within a two mile radius of such new HWRC that are within each WCA. Available capital receipts from any HWRC disposals shall be apportioned in accordance with this rule, as applied since the HWRC was acquired by the Authority.
12. All NLWA non-contract costs, which include the core costs of operating the Authority, project based costs and other costs which may be required to enable the Authority to fulfil its statutory obligations, or other expenditure which the Authority may agree from time to time will be borne by WCAs in proportion to the tonnes of Municipal Waste delivered to the Authority for the relevant financial year. This will form part of the levy-setting and the annual reconciliation of costs to be borne by each WCA.
13. At the end of each financial year, in its annual reconciliation of costs to be borne by each WCA, the Authority will use both the actual tonnages delivered to the Authority by each WCA and the Visitor Survey employed when that financial year's levy was set.
14. Balances (positive or negative) that are available at the end of the financial year will be ring-fenced to each WCA and each waste stream as applicable having regard to the source(s) of the balances.
15. Balances that are forecast to be available when determining the levy for 2016/17 and when finalising the Authority's statutory accounts for 2015/16 shall be apportioned between the WCAs in the same proportions as were used to apportion the levy for 2015/16.

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5. SCHEDULE 5A1: HWRC INITIAL SCHEDULE

WCA	HWRC	TITLE TO NLWA	DATE OF TRANSFER	PROPOSED CHANGES
Barnet	Summers Lane	Single leasehold	4 October 2013	
Camden	Regis Road	Single leasehold incl. part of shared building	1 April 2012	
Enfield	Barrowell Green	Single leasehold	1 April 2012	
Haringey	Park View Road	Single leasehold	1 April 2012	
Haringey	Hornsey High St	Single leasehold	1 April 2012	
Islington	Hornsey St Note: The Hornsey Street HWRC includes the i-Recycle educational and visitor centre.	Single leasehold as part of shared building	1 April 2012	
Waltham Forest	Gateway Road	Single lease from contractor	1 April 2012	
Waltham Forest	Kings Road	Single leasehold	7 June 2012	Refurbish
Waltham Forest	South Access Road	Single leasehold	7 June 2012	Refurbish

* Note: The Hornsey Street HWRC includes the i-recycle educational and visitor centre. Whilst this will transfer to the Authority on 1 April 2012 it is not expected that it will be operational at this date.

SCHEDULE 5A2: HWRC INTERIM SCHEDULE

WCA	HWRC	TITLE	DATE OF TRANSFER	PROPOSED CHANGES
Barnet	Summers Lane	Single leasehold	TBA	
Camden	Regis Road	Single leasehold incl. part of shared building	1 April 2012	
Enfield	Barrowell Green	Single leasehold	TBA	
Haringey	Park View Road	Single leasehold	1 October 2012*	
Haringey	Hornsey High St	Single leasehold	1 October 2012*	Development of Cranford Way to replace Hornsey High Street
Islington	Hornsey St Note: The Hornsey Street HWRC includes the i-Recycle educational and visitor centre.	Single leasehold as part of shared building	1 April 2012	
Waltham Forest	Gateway Road	Single lease from contractor	1 April 2012	
Waltham Forest	Kings Road	Single leasehold	7 June 2012	Refurbish
Waltham Forest	South Access Road	Single leasehold	7 June 2012	Refurbish

*** The Haringey transfer dates are provisional.**

SCHEDULE 5B: HWRC FINAL SCHEDULE

WCA	HWRC	TITLE	DATE OF TRANSFER	PROPOSED CHANGES
Barnet	Summers Lane	Single leasehold	Not transferring	
Camden	Regis Road	Single licence incl. part of shared building for 2012/13; single leasehold thereafter	1 April 2012	
Enfield	Barrowell Green	Single leasehold	Not transferring	
Haringey	Park View Road	Single leasehold	1 st November 2012	
Haringey	Hornsey High St	Single leasehold	1 st November 2012	Development of Cranford Way to replace Hornsey High Street
Islington	Hornsey St Note: The Hornsey Street HWRC includes the i-Recycle educational and visitor centre.	Single leasehold as part of shared building	No change	
Waltham Forest	Gateway Road	Single lease from contractor	No change	
Waltham Forest	Kings Road	Single leasehold	No change	Refurbish
Waltham Forest	South Access Road	Single leasehold	No change	Refurbish

6. SCHEDULE 6: WASTE ACCEPTANCE CRITERIA AND PROTOCOL

This Schedule will be finalised by the Authority prior to the appointment of the Preferred Bidder for the Waste Services Contract. It will be inserted at Financial Close.

In agreeing a set of criteria by which waste will be accepted at designated Reception Points, the following principles will apply. These will be designed to minimise instances where Contract Waste is rejected by the Waste Services Contractor and will aim to ensure that along with the Waste Acceptance Protocol which details the process by which waste acceptance will be undertaken, Contract Waste is handled appropriately.

For Contaminated Loads:

- If Contaminated Loads are not rejected a higher fee may be incurred for the processing of any such loads (e.g. – a load of mixed dry recyclables that is contaminated with Residual Waste may have to be processed as Residual Waste)
- There will be a cascading hierarchy of treatment – with, where possible, removal of contaminants to enable the remainder of the load to be treated
- If the designated Reception Point is not the intended Site for treatment of a particular material stream, an additional cost of transport will be incurred
- Contaminated Loads may also become Disputed Loads

For Disputed loads:

- If on joint inspection the Authority's Representative and the Waste Services Contractor do not agree that a load is Mis-coded or Contaminated then the load is deemed to be a Disputed Load
- Disputed Loads are referred to an Adjudication Expert
- The Adjudicator determines the category of Contract Waste and the Waste is processed accordingly

Vehicles may be quarantined for the following reasons:

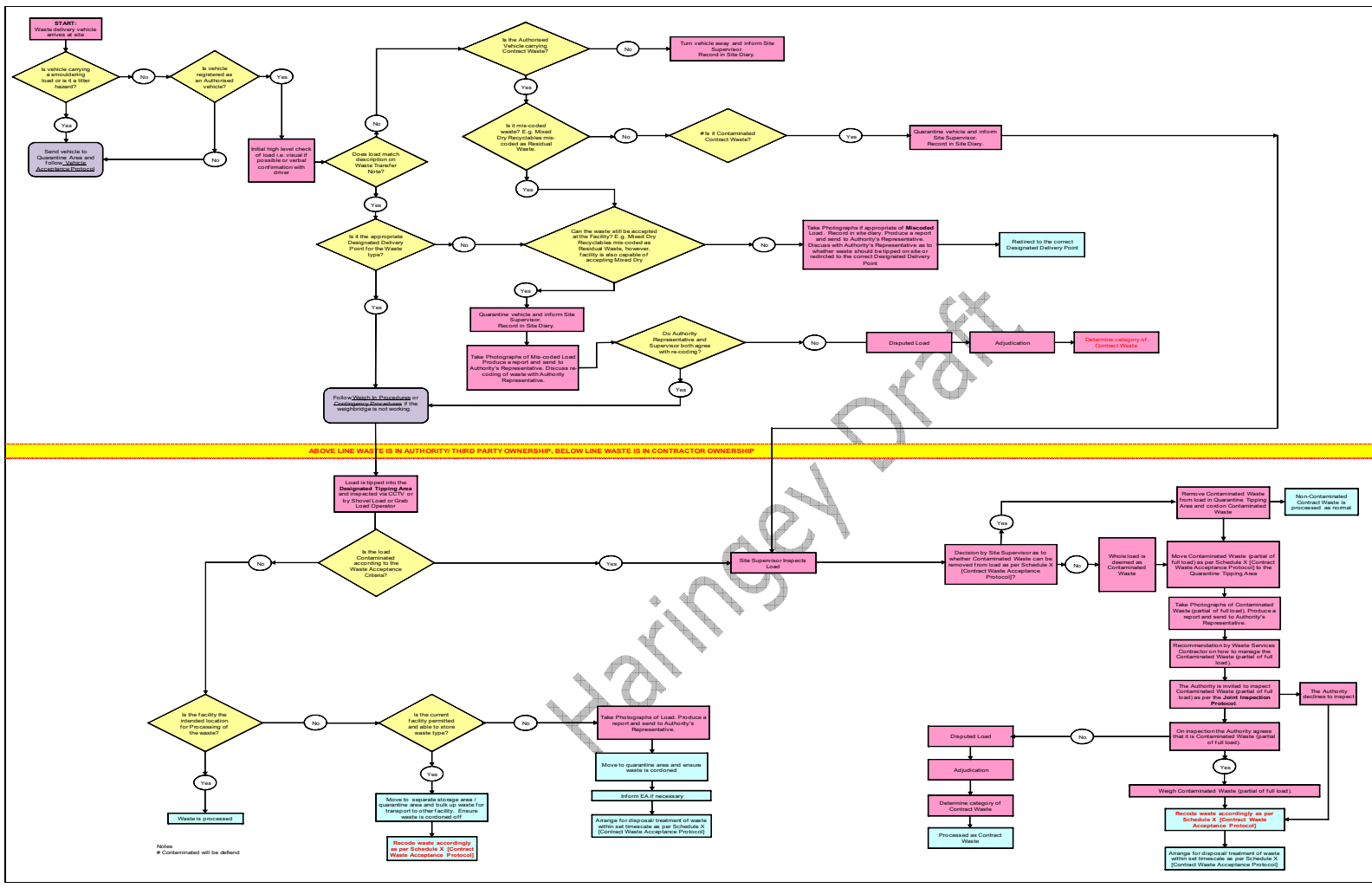
- Smouldering load (vehicle will be isolated to a safe area)
- The vehicle is carrying material which may cause a breach of the Contractor's Environmental Permit (the vehicle is likely to be refused entry)
- The vehicle is determined to be carrying Contaminated Contract Waste (likely to happen only when Waste is on tipping floor)
- The vehicle has delivered the incorrect waste to the facility e.g. organic waste is delivered to a Residual Waste processing site
- The vehicle presents a litter hazard which is not rectifiable by the vehicle crew

DRAFT WASTE ACCEPTANCE PROTOCOL:

This is attached in draft form. It is likely that a diagram similar to the attached diagram will be an appendix to a text document detailing the protocol. The Waste Acceptance Protocol sets out the procedure by which Contract Waste is Accepted or Rejected on each Site.

- The Waste Acceptance Protocol will be designed to minimise instances where Contract Waste is Rejected by the Waste Services Contractor
- However, Contract Waste may be Rejected if:
 - The vehicle delivering is not an Authorised Vehicle;
 - The vehicle delivering is not carrying Contract Waste; and
 - The vehicle delivers material which may cause a breach of the operator's permit

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7. SCHEDULE 7: CHANGE PROCEDURE

1. LIMITS ON CHANGES

1.1 No Party may propose or implement a change:

- 1.1.1 which requires the Services to be performed or a change to be implemented in a way that infringes any Legislation or Guidance or is inconsistent with Good Industry Practice;
- 1.1.2 which would cause any Consent to be revoked (or a new Consent required to implement the relevant change to be unobtainable);
- 1.1.3 which would materially and adversely affect the Waste Disposal Contractors' ability to deliver the Services and/or the Works carried out (except for that part of the Services and/or the Works which has been specified as requiring to be amended in the relevant notice of change pursuant to the Waste Services Contract or Fuel Use Contract in a manner not compensated for pursuant to this **Schedule 7** (Change Procedure);
- 1.1.4 which would materially and adversely affect the health and safety of any person;
- 1.1.5 which would require the Waste Services Contractor or Fuel Use Contractor to implement the change in an unreasonable period of time;
- 1.1.6 which would (if implemented) materially and adversely change the nature of the Project (including its risk profile);
- 1.1.7 which would (if implemented) materially and adversely affect other Parties to this Agreement unless and to the extent such affected Party has expressly consented to such change; and/or
- 1.1.8 whereby the Authority does not have the legal power or capacity to implement such change;
- 1.1.9 which could constitute a breach of the Waste Services Contract or Fuel Use Contract by the Authority or lead to an Authority default as defined in the Waste Disposal Contracts.

2. CHANGES PRIOR TO DATE OF FINANCIAL CLOSE

- 2.1 In the event that the Authority or one or more WCAs considers a change essential to achieve the aims of this Agreement prior to the date of Financial Close, such Party may serve a written notice on all other Parties proposing a change to this Agreement (“Pre-Financial Close Change Notice”), with such Pre-Financial Close Change Notice detailing:
- 2.1.1 the title of the change;
 - 2.1.2 the identity of the Party or Parties proposing the change;
 - 2.1.3 the date of the request;
 - 2.1.4 full details of the change, including reasons it is considered to be required;
 - 2.1.5 if known, the likely impact, if any, on the Authority’s negotiation of the Waste Services Contract and the Fuel Use Contract;
 - 2.1.6 a date of expiry of the validity of the Pre-Financial Close Change Notice (which shall be no later than three (3) months after the date of such Pre-Financial Close Change Notice); and
 - 2.1.7 a first draft of an Amending Agreement to be executed by the Parties, together with details of any amendments required to this Agreement.
- 2.2 Provided a majority of the Parties agree that a change as proposed is appropriate, then no later than ten (10) Business Days after receipt of the Pre-Financial Close Change Notice, the Authority Representative and WCA Representatives shall meet to discuss the proposed change.
- 2.3 Once agreement has been reached by all the Parties in relation to the proposed change, the Authority shall issue a written notice to all WCAs confirming this, and an Amending Agreement shall be issued by the Authority and the Parties shall execute such Amending Agreement as soon as reasonably practicable.
- 2.4 If the Parties are unable to reach agreement on a proposed change by the earlier of the date of expiry of the validity of the Pre-Financial Close Change Notice and forty (40) Business Days after the Authority’s receipt of the Pre-Financial Close Change Notice, then unless the Parties agree to abandon the proposed change, the matter shall be referred to the Disputes Resolution Procedure.

3. CHANGES FOLLOWING THE DATE OF FINANCIAL CLOSE

3.1 WCA requested changes

3.1.1 After (but not on) the date of Financial Close, one or more of the WCAs may serve a written notice on the Authority proposing a change to this Agreement, the Waste Services Contract and/or the Fuel Use Contract (“WCA Post Financial Close Change Notice”), with such WCA Post Financial Close Change Notice detailing:

3.1.1.1 the title of the change;

3.1.1.2 the identity of the WCA or WCAs proposing the change;

3.1.1.3 the date of the request;

3.1.1.4 full details of the change, including whether it relates to this Agreement, the Waste Services Contract and/or the Fuel Use Contract and the reasons it is considered to be required;

3.1.1.5 a date of expiry of the validity of the WCA Post Financial Close Change Notice (which shall be no later than three (3) months after the date of such WCA Post Financial Close Change Notice); and

3.1.1.6 a draft of any Amending Agreement to be executed by the Parties, together with details of any amendments required to this Agreement.

3.1.2 Provided a majority of the Parties agree that a change as proposed is appropriate, then no later than ten (10) Business Days after receipt of the WCA Post Financial Close Change Notice, the Authority Representative and WCA Representatives shall meet to discuss and agree the proposed change.

- 3.1.3 Once agreement has been reached by all the Parties in relation to the proposed change pursuant to **paragraph 3.1.2**, if it would require the Authority to request a change under the provisions of the Waste Services Contract or the Fuel Use Contracts, then the Authority may not unreasonably refuse to propose such a change under the provisions of the change procedures in the relevant Waste Disposal Contract. By agreeing to pursue a change, the WCAs acknowledge that the Authority is bound by the provisions of the change procedure in the Waste Services Contract or the Fuel Use Contract and the WCAs agree to accept the outcome of that change procedure. The Authority shall notify the WCAs of the costs and other implications for the WCAs of implementing the proposed change under the relevant Waste Disposal Contract.
- 3.1.4 In any circumstance other than that described in **paragraph 3.1.3**, the Parties shall use all reasonable endeavours to agree to any proposed change.
- 3.1.5 If the Parties do so agree such change, the Authority shall issue a written notice to all WCAs to confirm this, and an Amending Agreement shall be issued by the Authority and the Parties shall execute such Amending Agreement as soon as reasonably practicable.
- 3.1.6 If the Parties are unable to reach agreement on a proposed change by the earlier of the date of expiry of the WCA Post Financial Close Change Notice and forty (40) Business Days after the Authority's receipt of the WCA Post Financial Close Change Notice, then unless the WCAs elect to withdraw the WCA Post Financial Close Change Notice, the matter shall be referred to the Disputes Resolution Procedure.
- 3.1.7 Notwithstanding the foregoing the WCAs reserve the right to withdraw the WCA Post Financial Close Change Notice:
- 3.1.7.1 at any time before they enter into the relevant Amending Agreement if they do not agree with the outcome of the Disputes Resolution Procedure; or
 - 3.1.7.2 at any time following the date of the relevant Amending Agreement, save that where the request to withdraw the WCA Post Financial Close Change Notice is received after the request for change is made under the relevant Waste Disposal Contract, the relevant WCA will be liable to meet any costs incurred by the Authority under the relevant Waste Disposal Contract.

- 3.1.8 For the avoidance of doubt the Authority shall provide all WCAs with a monthly update (if any) as to the potential effects (including the cost and other implications) of any change throughout the implementation process.

3.2 **Authority requested changes**

- 3.2.1 After (but not on) the date of Financial Close, the Authority may serve a written notice on the WCAs proposing a change to this Agreement (“Authority Post-Financial Close Change Notice”), with such Authority Post-Financial Close Change Notice detailing:

- 3.2.1.1 the title of the change;
- 3.2.1.2 the date of the request;
- 3.2.1.3 full details of the change, including the reasons it is considered to be required;
- 3.2.1.4 a date of expiry of the validity of the Authority Post-Financial Close Change Notice (which shall be no later than [three (3)] months after the date of such Authority Post Financial Close Change Notice); and
- 3.2.1.5 a draft of an Amending Agreement to be executed by the Parties, together with details of any amendments required to this Agreement, together with the detail of any drafting amendments considered required to this Agreement.

- 3.2.2 No later than ten (10) Business Days after receipt of the Authority Post Financial Close Change Notice, the Authority Representative and the WCA Representatives shall meet to discuss the proposed change.

- 3.2.3 Subject to **paragraph 1** and **clause 6.9.1** (Principal Obligations of the Authority), if the proposed change arises from a change agreed to by the Authority under the Waste Services Contract and/or the Fuel Use Contract, then the WCAs shall be deemed to agree to the change and confirm that the matter will not be referred to the Disputes Resolution Procedure.

- 3.2.4 In any circumstance other than that described in **paragraph 3.2.3**, the Parties shall use all reasonable endeavours to agree to any proposed change, and if they fail to agree, the Authority may withdraw the Authority Post Financial Close Change Notice or elect to refer the matter to the Disputes Resolution Procedure.

- 3.2.5 If the Parties do so agree such change, the Authority shall issue a written notice to all WCAs to this effect and an Amending Agreement shall be drafted by the Authority and the Parties shall execute such Amending Agreement as soon as reasonably practicable.
- 3.2.6 In any circumstance other than those described in **paragraphs 3.2.3** or **3.2.4**, if the Parties are unable to reach agreement on a proposed change by the earlier of the date of expiry of the Authority Post Financial Close Change Notice and forty (40) Business Days after the date of the Authority Post Financial Close Change Notice, then unless the Parties agree to abandon the proposed change, the matter shall be referred to the Disputes Resolution Procedure.
- 3.2.7 The Authority reserves the right to withdraw the Authority Post Financial Close Change Notice at any time before it enters into the relevant Amending Agreement if it does not agree with the outcome of the Disputes Resolution Procedure.

Haringey Draft

ANNEX 1: FORM OF AMENDING AGREEMENT

Dated [2012]

- (1) North London Waste Authority
- (2) London Borough of Barnet
- (3) London Borough of Camden
- (4) London Borough of Enfield
- (5) London Borough of Hackney
- (6) London Borough of Haringey
- (7) London Borough of Islington
- (8) London Borough of Waltham Forest

[First] Amending Agreement
in respect of the Inter Authority Agreement dated [] regarding the procurement of the
procurement of waste treatment facilities by the North London Waste Authority

THIS AGREEMENT is made on

BETWEEN

- (1) North London Waste Authority of Town Hall, Judd Street, London WC1H 9JE ("the Authority");
- (2) London Borough of Barnet of North London Business Park, Oakleigh Road South, London N11 1NP ("Barnet");
- (3) London Borough of Camden of Town Hall, Judd Street, Camden, London WC1H 9JE ("Camden");
- (4) London Borough of Enfield of Civic Centre, Silver Street, Enfield, London EN1 3XA ("Enfield");
- (5) London Borough of Hackney of Town Hall, Mare Street, Hackney, London E8 1EA ("Hackney");
- (6) London Borough of Haringey of Civic Centre, High Road, Wood Green, London N22 8LE ("Haringey");
- (7) London Borough of Islington of Town Hall, Upper Street, Islington, London N1 2UD ("Islington"); and
- (8) London Borough of Waltham Forest of Town Hall, Forest Road, Walthamstow, London E17 4JF ("Waltham Forest"),

each (excluding the Authority) being a waste collection authority ("WCA") and collectively (excluding the Authority) referred to as "the WCAs".

BACKGROUND

- (A) Pursuant to an inter authority agreement dated [] between the Authority and the WCAs (the "Original IAA"), the Parties agreed to various provisions necessary to facilitate the obligations the Authority has to the Waste Disposal Contractors under the Waste Services Contract and/or the Fuel Use Contract.
- (B) The Parties wish by this agreement (the "[First] Amending Agreement") to amend the Original IAA to the extent of the amendments contained in this [First] Amending Agreement.
- (C) This [First] Amending Agreement is made in accordance with the provisions of **clause 19 and Schedule 7** of the Original IAA and supersedes the *[insert title and dates of previous Amending Agreements]*.

OPERATIVE PROVISIONS

1. INTERPRETATION

- 1.1 Save where the context otherwise requires, words and phrases defined in the Original IAA shall have the same meanings given to them whenever they are used in this [First] Amending Agreement, and the provisions of **clause 1** (Definitions and Interpretation) of the Original IAA shall apply *mutatis mutandis* to this [First] Amending Agreement as it applies to the Original IAA.

2. AMENDMENT AND RESTATEMENT

- 2.1 The [Waste Services Contractor/Fuel Use Contractor] and the Authority shall continue to perform their obligations throughout the remainder of the Contract Term provided that with effect from the date of this [First] Amending Agreement, the Original IAA shall be amended so that, in substitution for its terms, the terms of the amended and restated IAA in the form annexed in Annex 1 to this [First] Amending Agreement (the "Amended IAA") shall apply as between the Parties to the exclusion of the terms of the Original IAA, provided that any claims or liabilities of either Party, which have accrued before the date of this [First] Amending Agreement, shall be established in accordance with the terms of the Original IAA as in force at the time of accrual of the relevant claim or liability.

3. ENFORCEMENT BY THIRD PARTIES

The Parties to this [First] Amending Agreement do not intend that any of its terms will be enforceable by virtue of the Contracts (Rights of Third Parties) Act 1999 by any person not a party to it.

4. SUCCESSORS/BENEFIT OF AGREEMENT

This [First] Amending Agreement will be binding upon and benefit each Party to this [First] Amending Agreement and their successors, and assigns.

5. ENTIRE AGREEMENT

- 5.1 This [First] Amending Agreement and the Amended IAA and other documents referred to in the Amended IAA contain all the terms which the Parties have agreed in relation to the subject matter of this [First] Amending Agreement, the Amended IAA and those documents, and supersedes any prior written or oral agreements, representations or understandings between the Parties in relation to such subject matter, [including the *[insert titles and dates of previous Amending Agreements where relevant]*].

- 5.2 The Parties acknowledge that this [First] Amending Agreement has not been entered into wholly or partly in reliance on, nor has either Party been given any

warranty, statement, promise or representation made by or on the other Party's behalf other than as expressly set out in this [First] Amending Agreement and the documents referred to in **clause 5.1**. To the extent that any such warranties, statements, promises or representations have been given the recipient Party unconditionally and irrevocably waives any claims, rights or remedies which it might otherwise have had in relation to them.

5.3 Nothing in this **clause 5** will exclude any liability which one Party would otherwise have to the other Party in respect of any statements made fraudulently.

6. GOVERNING LAW

6.1 This Agreement, and any non-contractual obligations arising out of or in connection with it, shall be governed by and constructed in all respects in accordance with the laws of England. Subject to **Schedule 8** (Dispute Resolution Procedure) of the Original IAA, the Parties submit to the exclusive jurisdiction of the courts of England and Wales.

In witness whereof this Agreement is executed by the Parties or their duly authorised representatives as a Deed and delivered on the date of this [First] Amending Agreement.

EXECUTED as an Deed by affixing)
the common seal of)
NORTH LONDON WASTE AUTHORITY)
in the presence of:)

Authorised Officer

EXECUTED as an Deed by affixing)
the common seal of)
LONDON BOROUGH OF BARNET)
in the presence of:)

Authorised Officer

EXECUTED as an Deed by affixing)
the common seal of)
LONDON BOROUGH OF CAMDEN)
in the presence of:)

Authorised Officer

EXECUTED as an Deed by affixing)
the common seal of)
LONDON BOROUGH OF ENFIELD)
in the presence of:)

Authorised Officer

EXECUTED as an Deed by affixing)
the common seal of)
LONDON BOROUGH OF HACKNEY)
in the presence of:)

Authorised Officer

EXECUTED as an Deed by affixing)
the common seal of)
LONDON BOROUGH OF HARINGEY)
in the presence of:)

Authorised Officer

EXECUTED as an Deed by affixing)
the common seal of)
LONDON BOROUGH OF ISLINGTON)
in the presence of:)

Authorised Officer

EXECUTED as an Deed by affixing)
the common seal of)
LONDON BOROUGH OF WALTHAM)
FOREST)
in the presence of:)

Authorised Officer

8. SCHEDULE 8: DISPUTES RESOLUTION PROCEDURE

1. **DISPUTE**

1.1 Any dispute arising in relation to any aspect of this Agreement shall be resolved in accordance with this **Schedule 8**.

2. **CONSULTATION AND PARTNERSHIP APPROACH TO DISPUTES**

2.1 If a dispute arises in relation to any aspect of this Agreement, the WCAs and the Authority shall consult in good faith in an attempt to come to an agreement in relation to the disputed matter.

2.2 In the event that the dispute or disagreement cannot be resolved, the matter shall be referred to the Partnership Board.

2.3 Where no resolution is achieved through a Partnership Board meeting then the matter shall be referred to the clerk to the Authority and the chief executive of the relevant WCA or WCAs for resolution within five Business Days. If there is still no resolution of the dispute or disagreement then the chair of the Authority and the leader of the relevant WCA or WCAs shall meet to discuss the matter with a view to seeking agreement (without prejudice to any formal approval that may be required to achieve implementation of what may be agreed).

3. **ADJUDICATION**

3.1 Without prejudice to **paragraph 1.1** and **2** above, either Party may give the other notice of intention to refer the dispute to adjudication and the adjudicator shall be selected in accordance with **paragraph 4** (Identity of Adjudicator) (the "Adjudicator").

4. **IDENTITY OF ADJUDICATOR**

4.1 The Adjudicator nominated to consider a dispute referred to him shall be selected on a strictly rotational basis from the panel of experts appointed in accordance with the following:

- 4.1.1 there shall be four panels of experts, one in respect of construction matters (“the Construction Panel”), one in respect of operational matters (“the Operational Panel”), one in respect of financial matters (“the Financial Panel”) and one in respect of legal matters (“the Legal Panel”) and all the experts on each panel shall be wholly independent of the WCAs, the Authority, the Waste Disposal Contractors and any of the major competitors of the Waste Disposal Contractors (but for the avoidance of doubt may be the same experts as appointed under the Waste Disposal Contracts);
- 4.1.2 the Construction Panel shall be comprised of three (3) experts who shall be appointed jointly by the WCAs and the Authority (with at least one (1) expert having legal expertise and one (1) expert having financial expertise). Such appointments shall take place on the Commencement Date or as soon as practicable thereafter;
- 4.1.3 the Operational Panel shall be comprised of three (3) experts who shall be appointed jointly by the WCAs and the Authority (with at least one (1) expert having legal expertise and one (1) expert having financial expertise). Such appointments shall take place on the Commencement Date or as soon as practicable thereafter;
- 4.1.4 the Financial Panel shall be comprised of three (3) experts who shall be appointed jointly by the WCAs and the Authority (with at least one (1) expert having legal expertise and one (1) expert having financial expertise). Such appointments shall take place on the Commencement Date;
- 4.1.5 the Legal Panel shall be comprised of three (3) experts who shall be appointed jointly by the WCAs and the Authority (with at least one (1) expert having legal expertise and one (1) expert having financial expertise). Such appointments shall take place on the Commencement Date or as soon as practicable thereafter;
- 4.1.6 if any member of a panel resigns during the term of this Agreement, a replacement expert shall be appointed by the WCAs and the Authority as soon as practicable;
- 4.1.7 if the Authority and the WCAs are unable to agree on the identity of the experts to be appointed to the panels, the President for the time being of the Chartered Institute of Arbitrators shall appoint such expert(s) within twenty (20) Business Days of any application for such appointment by either Party.

5. **SUBMISSION OF ARGUMENTS**

5.1 Within five (5) Business Days of appointment in relation to a particular dispute, the Adjudicator shall require the Parties to submit in writing their respective arguments. The Adjudicator shall, in his absolute discretion, consider whether a hearing is necessary in order to resolve the dispute.

6. **ADJUDICATOR'S DECISION**

6.1 In any event, the Adjudicator shall provide to both Parties his written decision on the dispute, within twenty (20) Business Days of appointment (or such other period as the Parties may agree after the reference or thirty (30) Business Days from the date of reference if the Party which referred the dispute agrees). Unless the Parties otherwise agree, the Adjudicator shall give reasons for his decision. Subject to **paragraphs 3.2.7 and 3.1.7.1 of Schedule 7** (Change Procedures), unless and until revised, cancelled or varied by the Arbitrator, the Adjudicator's decision shall be binding on both Parties who shall forthwith give effect to the decision.

7. **ADJUDICATOR'S COSTS**

7.1 The Adjudicator's costs of any reference shall be borne as the Adjudicator shall specify or, in default, equally by such of the Parties that are parties to the dispute. Each such Party shall bear its own costs arising out of the reference, including legal costs and the costs and expenses of any witnesses.

8. **ADJUDICATOR AS EXPERT**

8.1 The Adjudicator shall be deemed not to be an arbitrator but shall render his decision as an expert, and the provisions of the Arbitration Act 1996 and the law relating to arbitration shall not apply to the Adjudicator or his determination or the procedure by which he reached his determination.

9. **ADJUDICATOR'S POWERS**

9.1 The Adjudicator shall act impartially and may take the initiative in ascertaining the facts and the law. The Adjudicator shall have the power to open up, review and revise any opinion, certificate, instruction, determination or decision of whatever nature given or made under this Agreement.

10. **CONFIDENTIALITY**

10.1 All information, data or documentation disclosed or delivered by a Party to the Adjudicator in consequence of or in connection with his appointment as Adjudicator shall be treated as confidential. The Adjudicator shall not, save as permitted by **clause 23 of the Inter Authority Agreement** (Confidentiality), disclose to any person or company any such information, data or documentation and all such information, data or documentation shall remain the property of the Party disclosing or delivering the same and all copies shall be returned to such Party on completion of the Adjudicator's work.

11. **LIABILITY OF ADJUDICATOR**

11.1 The Adjudicator is not liable for anything done or omitted in the discharge or purported discharge of his functions as Adjudicator unless the act or omission is in bad faith. Any employee or agent of the Adjudicator is similarly protected from liability.

12. **REFERENCE TO ARBITRATION**

12.1 If:

12.1.1 either Party is dissatisfied with or otherwise wishes to challenge the Adjudicator's decision made in accordance with **paragraph 6** (Adjudicator's Decision); or

12.1.2 both Parties agree,

then either Party may (within twenty (20) Business Days of receipt of the Adjudicator's decision, where appropriate), notify the other Party of its intention to refer the dispute to arbitration. Such notification shall invite the other Party to concur in the appointment of a sole arbitrator who shall be a solicitor, barrister or arbitrator recognised by the Chartered Institute of Arbitrators of not less than ten (10) years' standing (the "Arbitrator"). If the Parties are unable within ten (10) Business Days to agree the identity of the Arbitrator either Party may request the President of the Law Society to make the appointment.

13. **ARBITRATOR'S POWERS**

13.1 The Arbitrator shall have the power to open up, review and revise any opinion, certificate, instruction, determination or decision of whatever nature given or made under this Agreement, to vary or cancel the decision of the Adjudicator and, where appropriate, to order financial compensation to be paid by one Party to the other. The arbitration shall take place in London.

14. **DIRECTIONS OF THE ARBITRATOR**

- 14.1 The Arbitrator shall in his absolute discretion, make such procedural directions as he considers necessary such as ordering the Parties to provide written submissions within such time period as he considers appropriate and/or to attend such hearings as he deems necessary.

15. **ARBITRATOR'S DECISION**

- 15.1 The Arbitrator shall deliver his decision on any matter referred to him within twenty (20) Business Days of concluding any hearings which may have been held in connection with the matter and in any event within three (3) months (or such other period as the Parties may agree) of his appointment. The Arbitrator's decision shall be in writing and shall state his reasons for his decision. Subject to **paragraphs 3.2.7 and 3.1.7.1 of Schedule 7** (Change Procedures), the decision of the Arbitrator shall be final and binding on both Parties. The costs of arbitration will be in the discretion of the Arbitrator.

16. **PARTIES' OBLIGATIONS**

- 16.1 The Parties shall continue to comply with, observe and perform all their obligations hereunder regardless of the nature of the dispute and notwithstanding the referral of the dispute for resolution under this **Schedule 8** and shall give effect forthwith to every decision of the Adjudicator and the Arbitrator delivered under this **Schedule 8**.

17. **RELATED DISPUTES**

- 17.1 If any dispute arising under this Agreement raises issues which relate to any dispute between the Authority and one or more of the Waste Disposal Contractors arising under the Waste Disposal Contracts or otherwise affects the relationship or rights of the Authority and/or the Waste Disposal Contractors under the Waste Services Contract or Fuel Use Contract (a "Related Dispute"), then the Authority may (in its absolute discretion) decide to include as part of its submissions made to the adjudicator or to the arbitrator appointed under the relevant Waste Disposal Contract, submissions made by the WCAs and the WCAs shall provide such submissions as reasonably required.
- 17.2 The adjudicator or arbitrator, as appropriate under the relevant Waste Disposal Contract shall not have jurisdiction to determine the dispute under this Agreement, but subject to **paragraphs 3.2.7 and 3.1.7.1 of Schedule 7** (Change Procedures), the decision of such adjudicator or arbitrator shall be binding on the Waste Disposal Contractor insofar as it determines the issues relating to the dispute under this Agreement.

17.3 Any submissions made by the WCAs shall:

17.3.1 be made within the time limits applicable to the delivery of submissions by the Authority under the disputes resolution procedure of the relevant Waste Disposal Contract; and

17.3.2 concern only those matters which relate to the Related Dispute.

17.4 Where the WCAs makes submissions in any reference before:

17.4.1 the adjudicator appointed in respect of the Related Dispute, the adjudicator's costs of such reference shall be borne as the adjudicator shall specify, or in default, one-third by the Authority and the remaining two-thirds shall be divided equally between the WCAs and any other parties to the dispute; and

17.4.2 the arbitrator appointed in respect of the Related Dispute, the costs of the arbitration shall be in the discretion of the arbitrator.

17.5 The WCAs acknowledges that the Authority shall have no liability to the WCAs arising out of or in connection with any decision of the adjudicator or arbitrator appointed in respect of the Related Dispute or in respect of the costs of the WCAs in participating in the resolution of the Related Dispute.

18. ACCESS TO DOCUMENTS

18.1 The WCAs shall not have access to any document relevant to the issues in dispute between the Authority and the Waste Disposal Contractors save where:

18.1.1 the document is relevant also to the issues relating to the dispute under this Agreement; and

18.1.2 the WCA has first delivered to the Waste Disposal Contractors a written undertaking from the WCA addressed to the Authority and Waste Disposal Contractors that the WCA shall not use any such document otherwise than for the purpose of the dispute resolution proceedings under the Waste Services Contract or the Fuel Use Contract and that they shall not disclose such documents or any information contained therein to any third party other than the adjudicator or arbitrator appointed under the Waste Services Contract or the Fuel Use Contract or any professional adviser engaged by the WCAs (as appropriate) to advise in connection with the dispute.

9. SCHEDULE 9: REPRESENTATIVES AND CONTACT DETAILS

Authority	
Name of Authority Representative:	
Contact details of Authority Representative:	Address: Tel: Fax: Email:
Contact details of Authority (if different):	Address: Tel: Fax: Email:

London Borough of Barnet	
Name of WCA Representative:	
Contact details of WCA Representative:	Address: Tel: Fax: Email:
Contact details of WCA (if different):	Address: Tel: Fax: Email:

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London Borough of Camden	
Name of WCA Representative:	
Contact details of WCA Representative:	Address: Tel: Fax: Email:
Contact details of WCA (if different):	Address: Tel: Fax: Email:

London Borough of Hackney	
Name of WCA Representative:	
Contact details of WCA Representative:	Address: Tel: Fax: Email:
Contact details of WCA (if different):	Address: Tel: Fax: Email:

London Borough of Haringey	
Name of WCA Representative:	
Contact details of WCA Representative:	Address: Tel: Fax: Email:
Contact details of WCA (if different):	Address: Tel: Fax: Email:

London Borough of Enfield	
Name of WCA Representative:	
Contact details of WCA Representative:	Address: Tel: Fax: Email:
Contact details of WCA (if different):	Address: Tel: Fax: Email:

London Borough of Islington	
Name of WCA Representative:	
Contact details of WCA Representative:	Address: Tel: Fax: Email:
Contact details of WCA (if different):	Address: Tel: Fax: Email:

London Borough of Waltham Forest	
Name of WCA Representative:	
Contact details of WCA Representative:	Address: Tel: Fax: Email:
Contact details of WCA (if different):	Address: Tel: Fax: Email:

10. SCHEDULE 10 TERMS OF REFERENCE OF THE PARTNERSHIP BOARD

Terms of Reference of the Partnership Board Agreed 17/05/12

1. Introduction

- 1.1 The IAA requires the creation of a Partnership Board (Clause 13) as the mechanism for considering operational matters and strategies relating to the IAA. The 'terms of reference' have been developed subsequently and provide that its role shall include:
- 1.2 Consideration of operational strategies relating to this Agreement including (but not limited to):
- 1.2.1 the communication and debate of issues arising from the procurement of the Waste Disposal Contractors; or under the Waste Services Contract and/or the Fuel Use Contract;
 - 1.2.2 the development of proposals relating to continuous improvement and the development of the Services provided under the Waste Services Contract and/or the Fuel Use Contract;
 - 1.2.3 the reporting of strategic management information in relation to the performance and activities of the Waste Disposal Contractors including consideration of waste flow data and the waste flow projections;
 - 1.2.4 consideration of any financial issues relating to the procurement or operation of the Waste Services Contract and/or the Fuel Use Contract;
 - 1.2.5 consideration of any changes to WCAs Collection Systems or other WCA matters which may affect the operation of the Waste Services Contract and/or the Fuel Use Contract;
 - 1.2.6 the terms of reference of the Partnership Board; and
 - 1.2.7 Dispute Resolution.

2. Term of operation

- 2.1 Meetings of the Partnership Board shall continue as appropriate during the procurement process and shall continue during the life of the Waste Disposal Contract.

3. Over-arching aim

- 3.1 To ensure that the next stages of the NLWA's procurement process are developed with the full involvement of all seven constituent boroughs and that existing service management considerations are additionally taken into account throughout the process and that the optimum solutions are selected and agreed.
- 3.2 The Board will provide a vehicle for two-way communication regarding the interface between the waste disposal authority and the seven collection authorities in north London and will provide a forum for logging and discussing issues arising.

4. Specific Target:

- 4.1 To ensure that the development of the Part B schedules of the IAA is undertaken in a collaborative manner with full and timely communication between the NLWA procurement team and other stakeholders throughout the process.
- 4.2 Additional targets may be agreed as appropriate.

5. Inter-relationship with other groups:

- 5.1 Procurement Programme Board (PPB) – two-way information flow and communication will take place between the Partnership Board and the Procurement Programme Board. This will be facilitated by the Chair of the Partnership Board and the NLWA Managing Director respectively.
- 5.2 DoEs' and DoFs' Groups – two-way communication and information flow will take place between the Partnership Board and the DoEs' and DoFs' groups. This communication will be facilitated by the Strategic Liaison and Support Manager for the north London Boroughs and the NLWA Managing Director respectively.
- 5.3 Technical Officers' Group meetings (TOG) – Although there is overlap between the membership of the TOG and Partnership Board the focus of the Partnership Board's work is procurement related issues during the procurement process and consideration of outputs after financial close, whilst the TOG meetings principally discuss current developments related to the existing contract. TOG meetings may additionally discuss procurement issues as and when appropriate where the subject matter is not confidential, but generally there is limited need for communication between the Partnership Board and TOG. TOG meetings are expected to have discussions regarding how to meet the 50% recycling targets set for 2020.

6. Attendees:

- 6.1 Up to two nominated people from each borough – this is expected to be a technical officer and a finance representative. No substitutions are allowed. One or both nominees may attend meetings
- 6.2 The Strategic Liaison and Support Manager for the north London boroughs
- 6.3 The Head of Finance, Contracts Manager and other managers as appropriate for NLWA
- 6.4 Legal support may also be required from NLWA on an ad hoc basis

7. Quorum

- 7.1 The quorum for meetings of the Partnership Board shall be the chair (which shall be such individual as nominated by the Authority (from time to time) or in their absence an Authority person to be agreed at that meeting), and at least five (5) of the seven (7) WCAs each duly represented by one officer, nominated from time to time by each of the WCAs or in their absence any WCA person to be agreed at that meeting.

8. Voting

- 8.1 All views and recommendations of the Partnership Board shall be by consensus (namely a process of reasoned discussion leading to unanimous agreement) of all members present at a meeting and if such agreement cannot be reached, by majority vote with the Authority and each WCA present at that meeting all having one vote each. Should voting be equal, the chair of the Partnership Board shall have the casting vote.

9. Confidentiality

- 9.1 All attendees to have signed the Authority's confidentiality agreement in advance of attending the first meeting and be familiar with the contents of the same.

10. Meeting Frequency

- 10.1 Meetings of the Partnership Board will take place as appropriate, but as a minimum quarterly.

11. Meeting content

- 11.1 The Partnership Board meetings will be the focus for communication between the constituent boroughs, the NLWA Strategy and Contracts team and the NLWA Procurement team regarding the procurement process. Specifically throughout the NLWA's procurement process, the Partnership Board meetings will provide a vehicle for borough and NLWA strategy and contracts team representatives to receive bid and procurement information from the NLWA procurement team and for the NLWA procurement team to receive collection related information from borough representatives.
- 11.2 Partnership Board meetings will provide a forum for discussion of future service delivery issues, including for example collection systems, gap analyses for target achievement and commercial waste collections. Pricing is also anticipated to be a subject for discussion too. Specifically meetings will provide a vehicle for discussing core pricing and collection arrangements and enable input to the performance regime and service delivery plan.
- 11.3 Meetings shall also be used to develop and agree contract specifications if appropriate and recommendations for changes to the same.
- 11.4 Any member of the Partnership Board shall be able to put forward items for discussion at Board meetings preferably no less than 10 days in advance of meetings.
- 11.5 At meetings of the Board, the Board may agree to allocate discrete tasks to individual members of the board as necessary.
- 11.6 It is recognised that the Board will have no formal governance or decision-making powers, but the Board should and will make recommendations which will be passed on to the Procurement Board or as appropriate for decision-making elsewhere when required and feedback will be provided as detailed above.

12. Evaluation Role

- 12.1 Members of the Partnership Board will also have a role in the evaluation of bidder proposals. Evaluation will take place at separately and specifically convened meetings.

13. Commitments

- 13.1 All Partnership Board members shall seek to provide information requested in an appropriate timescale as agreed at Board meetings. Information regarding future timescales for the publication and distribution of information shall also be provided and agreed at the same whilst recognising that the Procurement process has already agreed milestones which will need to be taken into account. Partnership Board meetings will be timetabled to coincide with the relevant points in the procurement process.

14. Administrative Support

- 14.1 The NLWA will provide the administrative support for the Board. The Authority will produce minutes and distribute these to all waste collection authority and other attendees and members of the Board within 15 working days of each meeting. The format of meeting minutes will be principally a list of actions resulting from Partnership Board meetings.

15. Dispute Resolution

- 15.1 The Partnership Board will have a role in dispute resolution in accordance with the dispute resolution set out in clause 20 of this Agreement.

16. Review of Agreements

- 16.1 The Partnership Board will be responsible for arranging for this Agreement and any associated agreements and arrangements to be reviewed regularly during the term of this Agreement. This shall include as a minimum: a review once each calendar year of the operation of the Waste Services Contract and the Fuel Use Contract; co-operation with any scrutiny reviews which any of the WCAs undertakes relating to this Agreement and/or the Waste Services Contract and/or the Fuel Use Contract.
- 16.2 Following financial close of the Waste Services Contract the Partnership Board will change emphasis to management and operation of contracts, strategic oversight and dispute resolution. Details to be determined in due course.

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11.SCHEDULE 11: SCHEDULES OF THE WASTE SERVICES CONTRACT AND THE FUEL USE CONTRACT

The schedules of the Waste Services Contract and the Fuel Use Contract at the date upon which this Agreement is executed are:

Waste Services Contract

- 1 Definitions
- 2 Authority's Requirements
- 3 Waste Services Contractor's Plan
- 4 Payment Mechanism
- 5 Ancillary Documents and Project Documents
- 6 Waste Services Contractor Warranted Data
- 7 Sites Information
- 8 Key Dates
- 9 Review Procedure
- 10 Required Insurances
- 11 Tests
- 12 Independent Certifier's Deed of Appointment
- 13 Authority's Policies
- 14 Waste Law List
- 15 Best Value and Continuous Improvement
- 16 Refinancing
- 17 Compensation on Termination
- 18 Liaison Procedure
- 19 Revision of Base Case and Custody
- 20 Employment and Pensions
- 21 Change Protocol
- 22 Dispute Resolution Procedure
- 23 Commercially Sensitive Information
- 24 Direct Agreement
- 25 Form of Collateral Warranty
- 26 Planning – 26A Main Sites, 26B HWRCs
- 27 Not Used
- 28 Relevant Discharge Terms
- 29 Design Proposal
- 30 Outline Substitute Waste Plan
- 31 Interim Service Termination
- 32 Reporting Requirements
- 33 Waste Acceptance Protocol
- 34 Not Used
- 35 Periodic Rate
- 36 Fuel Use Contract Commissioning Plan
- 37 Third Party Income Forecast
- 38 Reporting Proformas

Fuel Use Contract

- 1 Definitions
- 2 Authority's Requirements
- 3 Fuel Use Contractor's Plan
- 4 Payment Mechanism
- 5 Ancillary Documents and Project Documents
- 6 Fuel Use Contractor Warranted Data
- 7 Sites Information

8	Key Dates
9	Review Procedure
10	Required Insurances
11	Tests
12	Independent Certifier's Deed of Appointment
13	Authority's Policies
14	Waste Law List
15	Best Value and Continuous Improvement
16	Refinancing
17	Compensation on Termination
18	Liaison Procedure
19	Revision of Base Case and Custody
20	Employment and Pensions
21	Change Protocol
22	Dispute Resolution Procedure
23	Commercially Sensitive Information
24	Direct Agreement
25	Form of Collateral Warranty
26	Not Used
27	Not Used
28	Relevant Discharge Terms
29	Basic Design Proposal
30	Outline Substitute Fuel Plan
31	Vehicle Acceptance Protocol
32	Reporting Requirements
33	Fuel Acceptance Protocol
34	Not Used
35	Not Used
36	Reporting Proformas
37	Third Party Income Forecast

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Appendix B – Changes to the North London IAA from Draft at Point of In-Principle Agreement (19th July 2011)

The first part of this appendix details the four key areas of the IAA that have been subject to development since in-principle agreement of the IAA by Cabinet on 19th July 2011, in reference to paragraph 4.6 of the main report. The second part provides a summary of all other, minor changes since in-principle agreement.

1. Key Areas of Development

(a) Confirmation of the Cost Recovery Mechanism (IAA Clause 16 and Schedule 4)

- The constituent councils decide how the costs of the NLWA will be apportioned between each council. Currently the NLWA levy is apportioned in accordance with the default provisions of the Joint Waste Disposal Authorities (Levies) (England) Regulations 2006. The levy calculation currently comprises two elements; the household element of the levy (for household waste tonnages delivered to NLWA) is apportioned between constituent councils on a tonnage basis (audited tonnages for the last full year prior to the budget year) and the other costs element (including overheads and HWRC costs) is apportioned on a council tax basis (for the relevant budget year).
- In the course of the in-principle agreement to the draft IAA in 2011 the Boroughs agreed that the default levy system would be changed to a 'Menu Pricing' system upon 'full service commencement' (the date upon which all facilities are operational), expected to be during 2016/17, under which there will be a separate cost for different waste streams reflecting the actual cost of processing each type of waste (this will serve to incentivise cheaper recycling over more expensive residual waste treatment).
- The full details of the new charging regime have since been developed and finalised, and are set out in Schedule 4 of the IAA (Cost Recovery Mechanism). The objective of Schedule 4 is to ensure an equitable allocation of the financial obligations of NLWA to each of the constituent councils, including those arising as a consequence of NLWA's new contracts. In the context of liabilities and costs under the contracts, the principle of equitable allocation is that each Constituent Borough shall be responsible for the financial consequences of its own behaviour and that of its contractors and agents, such behaviour to be determined by the type and quantity of waste delivered by or on behalf of each Constituent Borough and managed by NLWA (i.e. the Menu Pricing system).
- The outcome of the arrangements, specifically covered by Schedule 4B, are effectively as envisaged in the original Cabinet paper, but there are a number of changes to the way in which the schedule achieves these outcomes.
- The first point to make is that in Schedule 4B non-household waste costs remain unchanged from how they are dealt with now, and how they were proposed to be dealt with in the future. That is to say NLWA estimates both the amount of non-household waste to be delivered by each borough annually and the cost of treating this waste (with different costs per tonne charged for different types of waste). NLWA then invoices the boroughs on a monthly basis during the year, and at the end of the year there is a reconciliation of actual tonnes delivered by each borough and actual costs incurred by NLWA, with appropriate balancing payments to or from NLWA.
- Following legal advice, NLWA will not recover its costs for household wastes through a charging mechanism in the same way as it does for non-household wastes, as was

originally envisaged. Instead, under Schedule 4B it will continue to raise a levy for these costs, but a new form of levy is set out in the IAA to provide the fair funding mechanism that all Parties have agreed. It delivers this fairness firstly by the NLWA levying separately for different waste streams (to reflect their different costs); secondly, by each year's levy being apportioned according to the NLWA's budget forecasts (rather than historic tonnages as at present); and thirdly, by year-end balances (positive or negative) for each waste stream and each Borough being ring-fenced to each Borough to determine its future levy payment obligations. This is being done in accordance with the Joint Waste Disposal Authorities (Levies) (England) Regulations 2006 (regulation 4(1)(a)).

- As noted above, the revised wording of the schedule delivers effectively the same net financial costs and protections to Boroughs as envisaged under the former 'Charging Mechanism' (which dealt with both household and non-household waste costs without distinction) in terms of the provisions for household waste, but through a levying mechanism instead. For clarity and to reflect the changes Schedule 4B has also been renamed 'Menu Pricing Mechanism'.
- In terms of those of NLWA's costs not currently charged or levied on a per tonne basis the charging system for HWRCs will be through a levy (rather than an in-year charge) from 01/04/16 but with the payments by Borough still apportioned by periodic visitor survey as previously envisaged. It has been clarified that for new sites, until such time as a visitor survey can be conducted (i.e. the HWRC is operational and receives visitors), the costs will be borne based on the proportion of households per Borough within a 2 mile radius of the site.
- Furthermore it has been clarified that NLWA's overheads (i.e. staffing and other costs not properly attributable to contract delivery or management) will be levied based on the total tonnage of waste each Borough delivers from 2016/17. These costs are currently levied based upon the proportion of Council Tax 'Band D' properties.
- The costs of NLWA capital programme (i.e. the purchasing of new sites) will be borne based upon the total tonnage delivered by each Borough (as is currently the case). The exception is land for new HWRCs which will be distributed via visitor survey. Any surplus capital receipts that could possibly arise in the future (and where the receipts are not required to repay loans or finance other capital investments) will be distributed amongst the Boroughs in proportion to the actual tonnes of municipal waste delivered to NLWA since 01/04/16 (but in the case of HWRCs apportioned via visitor survey).
- The revenue costs of funding any capital contributions from NLWA to the Waste Disposal Contractors (to replace part of the contractor's borrowing, required to finance the development of new facilities, which would otherwise cost NLWA more through the contracts) shall be apportioned across each of the waste streams in the same proportion as the unitary charge reduction that arises as a result of the capital contribution towards that waste stream. The net effect of a capital contribution will be to provide a reduction in the cost per tonne/menu price for waste streams it is applied to.
- Finally, it has been clarified that menu pricing will begin on 01/04/16, where it was originally intended to be upon Full Service Commencement. The change is to allow a more workable transition.

(b) Clarification of the system for apportioning liabilities as a result of under or over delivering against tonnage forecasts (Clause 10)

- As set out in the original Cabinet report, if the tonnage of waste in a particular waste stream (eg. residual waste or commingled/'mixed' recycling) delivered to facilities operated by the NLWA's contractors falls below a tonnage threshold termed the Guaranteed Minimum Tonnage (GMT) then, subject to some defined means of mitigation, NLWA could be required under its contracts to pay for the tonnage shortfall against the GMT, even though this waste was not actually delivered. The IAA reflects NLWA's confirmation that GMT for each waste stream will be set at a level of 70% of the combined forecast tonnages of all Boroughs in any given year (which forecasts are detailed in Schedule 2B of the IAA).
- As indicated in the Cabinet report, the IAA reflects that where such a shortfall occurs liabilities will be apportioned to Boroughs based upon their individual responsibility for the shortfall. It is crucial to note, however, that there will only be a liability where the total tonnage delivered by all Boroughs falls short of the overall NLWA-level GMT (i.e. an individual Borough or Boroughs may fall below the GMT level against their individual forecasts, but this will not breach the overall GMT where other Boroughs' tonnages offset the shortfall).
- Clause 10.4 of the finalised IAA confirms the specific mechanism for distributing liabilities - where an overall breach of GMT occurs any liabilities will be "recovered from those [Boroughs] that have delivered less than their share of the GMT" with the liabilities "apportioned between these [Boroughs] by reference to their individual variances from the GMT as a percentage of all such variances and shall be recovered by [NLWA]". This confirms that Boroughs cannot be subject to such liabilities as long as they have not fallen below the GMT for a relevant waste stream based on their individual tonnage forecasts. The liability of each Borough is based upon the % of the total tonnage variances below the GMT that its individual shortfall constitutes.
- The treatment of instances in which Boroughs' collectively over-deliver against forecast tonnages has also been clarified in clause 10.6. NLWA's contractors, once appointed, will construct facilities with the capacity to manage all of NLWA's forecast waste plus at least 5% additional capacity. If the Boroughs collectively overproduce waste against the forecasts provided and exceed the capacity of facilities, NLWA can oblige its Contractor to accept any over-production, for processing at other facilities if possible. Alternatively NLWA can seek other facilities itself, outside of the contract, if it feels this is more advantageous. Both options will be subject to prevailing market conditions in terms of the location, cost and availability of facilities. NLWA is committed in the IAA to using reasonable endeavours to minimise the cost of managing such waste. Each borough also has an obligation if it becomes aware that it is likely to breach the maximum tonnage prediction to notify NLWA. The IAA Charging Mechanism reflects Boroughs being charged for waste above the maximum tonnage based on their relative responsibility for the overproduction, in line with the principle for GMT shortfalls.

(c) Approach to delivering Boroughs' preferred waste delivery points (Clause 8)

- As set out in the July 19th 2011 Cabinet report Clause 8 provided for Boroughs to make amendments to their expected waste collection systems (Schedule 1) and tonnage forecasts (Schedule 2) by replacing 'Part A' Schedules with corresponding 'Part B' Schedules within three months of the provision of emerging bid information to Boroughs from NLWA. This approach has been extended in the final draft to include Schedule 3, which details the NLWA 'Reception Points' to which Boroughs will deliver their waste, and which is now able to be revised by Boroughs on the same basis, within the same time period.

- This approach has enabled Boroughs to evaluate bid proposals and provide feedback to NLWA and its bidders, which will inform Final Tenders and effectively deliver Boroughs' preferred waste delivery points.
- The finalised Schedule 3 is contained within the IAA at Appendix A.

(d) HWRC Transfer Decision-Making Process (Clause 11 and Schedule 5)

- Clause 11 has been developed to allow Boroughs to take into account bid information, including indicative costing, before making final decisions on transfer of HWRCs. Schedule 5 of the IAA, which will list the HWRCs to transfer to NLWA, has now been split into Schedules 5A1, 5A2 and 5B to reflect borough positions following provision of information at different stages, with Schedule 5B representing final positions at the point of IAA execution in terms of the HWRCs that will be transferred and subsequently included in NLWA's contract. Previously the clause specified that for HWRCs listed in Schedule 5 as transferring to the NLWA, the transfer must take place before April 2012.
- This represents an improvement for Boroughs in terms of having a clearer indication of the implications of transfer in terms of value for money and recycling performance, on which basis to make decisions. The specific case for transfer is considered at paragraph 4.24 of the main report.

2. Summary of Other Changes to the IAA

Clause 1 – Definitions

There are a number of amendments to definitions in the document. The changes in this area generally fall into four categories:

1. Ensuring definitions are clearer. For example to reflect the potential that NLWA may manage waste in future through arrangements outside of the Waste Services and Fuel Use contracts.
2. Ensuring that definitions are in line with the prevailing legislation.
3. Ensuring definitions reflect other changes made during the drafting of the IAA (as set out below).
4. Adding some definitions where required (i.e. Ad Hoc Waste).

Clause 2 – Partnering Ethos

A requirement upon the Parties to notify one another as soon as possible of any proposed changes or agreements that would affect this Agreement or other Parties' associated contracts as soon as possible has been inserted into sub clause 2.1.2.

In addition wording changes that place a requirement upon NLWA to minimise the costs of waste management consistent with Best Value duties has been inserted into sub-paragraph 2.2.

Clause 5 – Waste Disposal Contracts

Some text previously at sub-clauses 5.2 and 5.3 (now deleted) relating to obligations upon the Boroughs to pay for the costs of waste management has been consolidated into Clause 16 for clarity.

Clause 6 – Principle Obligations of NLWA

An obligation has been inserted at sub-clause 6.2 to prevent NLWA from encouraging or seeking for bidders to artificially change the price differential between waste streams, but allows the differential to change in pursuit of the best overall terms.

Some minor changes have been made to sub-clause 6.4 (now 6.5) and a new sub-clause inserted at 6.6 to clarify that any sums obtained through the performance deductions upon NLWA's contractors or reconciliation payments from those contracts shall be distributed in accordance with the Cost Recovery Mechanism.

6.9.1 has been amended to reflect that the existing obligation for NLWA not to propose changes to NLWA's contracts, nor accept Notice of Changes from the contractor that could materially affect Boroughs, without consulting Boroughs and to withdraw changes if requested, may not apply in the instance of changes required by changes of law.

Clause 7 – Principle Obligations of the WCAs (Boroughs)

The insertion of a requirement (at sub-clause 7.1.1) upon Boroughs to register vehicles delivering waste with NLWA and to notify NLWA of any changes to the content form and timing of waste deliveries. These are in line with existing practices.

Clause 8 – Collection Systems

This clause has been renamed 'Collection Systems and Reception Points'. As detailed in section (c) of the first part of this appendix, the clause has been refined to allow Boroughs to amend their preferred delivery/reception points by completing and submitting Schedule 3A2, and if appropriate (should further changes be required) Schedule 3B, to replace the original Schedule 3A1, within specified time periods.

Revisions to sub-clause 8.6 clarify that minor changes to Borough vehicles and waste collection systems that would not require the NLWA's contractors to materially change the way they deliver services would not be subject to the Change Procedure.

Clause 9 – Recycling Obligations

Sub-clause 9.1.2 which places reasonable endeavours upon NLWA to contribute 10% to the overall 50% recycling target has been made subject to the transfer of all HWRCs to the NLWA (in line with the flexibilities for Boroughs to retain the HWRCs).

Clause 10 – Forecast Tonnages

Further to the key changes to the means of apportioning liabilities for under-delivery against tonnage forecasts outlined in section (b) of the first part of this appendix, there have been a number of alterations to this clause as set out below:

- Confirmation in 10.2 that the Guaranteed Minimum Tonnage (GMT) will be set at 70% of Boroughs' combined tonnage forecasts. The previous position was that the assumed GMT level of 70% would be subject to the ongoing dialogue and only change on the basis of improved VfM.
- Clarification in sub-clause 10.3 that GMT will only apply from the Full Service Commencement Date (i.e. the date at which all facilities are operational) which was expected to be in 2016.
- Confirmation in sub-clause 10.3 that the GMT % will track the forecast tonnage for each stream in each financial year (rather than being fixed at a % of the tonnage delivered in an individual year such as the base year).
- Clarification in sub-clause 10.3 that GMT will apply to mixed (commingled) dry recyclables, mixed food and green waste, and residual waste. For the avoidance of doubt the residual waste GMT applies to residual waste as a whole and does not make the distinction between residual waste that can be processed in the proposed MBT facilities and that which cannot. Further text has been inserted in clause 10.5 (replacing the previous sub-clause) to require NLWA to use reasonable endeavours to ensure that no GMT will apply to separately collected green (garden) waste and to minimise it if it will apply. It is expected that the application and extent of GMT in relation to green waste will be known upon submission of Final Tenders in October 2012. Haringey's Schedule 2B tonnage forecasts contain very low tonnages of separate green waste and consequently the risks related to GMT on this stream are very low.
- A requirement upon each Borough in sub-clause 10.7 (formerly 10.4) to advise NLWA at the earliest opportunity if there is likely to be a greater than 2% variance against tonnage forecasts. This is broadly in line with the current expectation that Boroughs would alert NLWA of any significant variations.

- A new sub-clause at 10.10 that clarifies that each Borough is responsible for paying the costs of any charges borne by NLWA in relation to any Ad-Hoc Waste delivered. Ad Hoc Waste is broadly defined as waste that is required to be segregated and treated differently from other Contract Waste. An example of this is dead animals.
- A new sub clause at 10.11 clarifies that, if boundaries are changed between NLWA Boroughs the tonnage forecasts will be adjusted in proportion to the number of households transferred between the Boroughs affected relative to the number of households within each of those Boroughs. Each Borough would be required to bear any costs in relation to boundary changes with local authorities outside of the NLWA area.

Clause 11 – HWRCs

Further to the key changes to this clause outlined in section (d) of the first part of this appendix, there have been a number of changes to this clause as follows:

- As summarised in paragraph 4.36 of the main report, sub-clause 11.7 (formerly 11.4) reflects a number of amendments to the terms of HWRC transfer. Notably the requirement for a standard lease has been removed; instead the leasing arrangements agreed with NLWA are required to “treat [Boroughs] equally subject to individual site constraints...for a term that will facilitate the delivery of the Waste Services Contract (including any extensions thereto)”. 11.7 also recognises that leasing will be subject to individual site constraints including incorporation of rights that will meet a Borough’s requirements in respect of any interests or adjoining land that will remain in the Boroughs’ ownership.
- Sub-clause 11.8 (formerly 11.3) requires the terms of a lease to be determined by the Disputes Resolution Procedure in Schedule 8 where agreement cannot be reached. The redrafted sub-clause allows either party to trigger this where agreement is not reached 2 months before the transfer date in the prevailing Schedule 5.
- Sub-clause 11.7 continues to reflect that TUPE will apply to the transfer of HWRC staff and in addition now specifies the need for adequate provision for meaningful consultation with staff.
- A new sub-clause 11.9 requires Boroughs transferring sites to confirm in writing to NLWA that they have determined that the transfer to NLWA can be undertaken at peppercorn rent (either by confirming that the peppercorn rent is determined as the best that can be reasonably obtained or because the charging of peppercorn rent either meets the requirements of a general consent or the Borough has obtained permission from the Secretary of State to do so). If such confirmation is not able to be provided a new sub-clause 11.10 allows for a market rent to be charged but neutralised by an equal payment from the relevant Borough.
- Sub-Clause 11.12 (previously 11.6) has been substantially expanded to reflect a process for the consultation of the Borough that is bearing or would bear the most costs of an HWRC (most likely the host Borough) that is proposed to be acquired, developed, subject to capital works, considered for the receipt of paid waste or closed. It commits the NLWA to give appropriate weighting to that Borough’s views. If the Borough is opposed, that Borough may supply notice to NLWA outlining alternative means to bridge

the additional contribution to the 50% recycling target that the NLWA's proposed HWRC changes would deliver.

- A new sub-clause at 11.13 requires the Borough most likely to bear the greatest share of the costs of a new HWRC (most likely the host Borough) has the option to buy the site where it agrees the design with the NLWA, develops the HWRC and then leases the site to NLWA as set out in this agreement, all without delay. Conversely if NLWA has brought and developed an HWRC, but then wishes to sell it, the Borough most likely to receive the greatest share in accordance with the principle in Schedule 4 relating to the treatment of excess capital receipts should have first option to buy the site at the price NLWA could obtain from another third party.
- A minor sub-clause has been added at 11.14 to confirm that NLWA will undertake visitor surveys.
- A new sub-clause at 11.15 confirms that NLWA will apportion the recycling rate performance at HWRCs that it manages in the same proportions as Boroughs will bear the costs under the Visitor Survey system.
- A new sub-clause at 11.16 allows for Boroughs that will not transfer their HWRCs at the point of IAA execution to have a degree of flexibility in negotiating the leasing arrangements with NLWA should they seek to transfer at a later date through the IAA Change Procedure, whilst remaining subject to the key leasing principles provided for in clauses 11.7, 11.8, 11.9 and 11.10 (notably providing for equal treatment as outlined above).

Clause 13 – Communications

Much of the text previously at Sub-Clause 13.3 and 13.8 (now sub-clause 13.7) and the entirety of sub-clause 13.4 which sets the scope of the issues to be considered and administrative/decision making requirements of the Partnership Board has been consolidated within the Terms of Reference of the Partnership Board in a new schedule (Schedule 10) of the IAA.

Sub-clause 13.5 (formally 13.6) has been expanded to oblige NLWA to hold a meeting of the Board after receipt of a notice from at least four Boroughs requesting such a meeting.

Clause 15 – Ownership of Waste and the Duty of Care

Sub-Clause 15.1 has been altered to require Boroughs to deliver waste in accordance with both the Waste Acceptance Criteria and Waste Acceptance Protocol in Schedule 6, as opposed to just the latter.

Clause 16 – Financial Contribution

The details of the changes to this clause are provided in section (a) of the first part of this Appendix B, above, covering key changes to the IAA.

Clause 19 – Changes and Amendments

Sub clause 19.3 has been amended to reflect that NLWA and Boroughs will develop Schedule 6 (the Waste Acceptance Criteria and Protocol) prior to Financial Close to align it with the proposed new waste contracts. This commitment previously referred to the development of

Schedule 3 (Reception/delivery points) but refinement of reception points is now covered in clause 8.

Clause 22 – Exit Arrangements

A minor amendment requires the parties to meet to discuss successor arrangements 5 years before the IAA (and contract) expiry date, rather than the 2 years previously reflected.

Clause 23 – Confidentiality

Text has been added at 23.3.5 which requires that any professional advisors to whom confidential information is provided are themselves contractually bound to confidentiality.

Clause 26 – Public Relations and Publicity

A new sub-clause at 26.2 requires NLWA to undertake reasonable endeavours to ensure that the Boroughs have prior consultation with regards any relevant communications by NLWA or its contractors.

Clause 35 – Governing Law

The clause has been altered to make the jurisdiction subject to the change procedure.

Schedule 1 – WCA (Borough) Collection Systems

A new Schedule 1B has been inserted to allow further refinement of collection system information if required, in line with clause 8. The format of the schedule has also been altered to make it more fit for purpose.

Schedule 2 – Forecast Tonnages

The format of the schedule has also been amended to make it more fit for purpose.

Schedule 3 – Reception Points

A new Schedule 3B has been inserted to allow further refinement of reception point information if required, in line with clause 8. The format of the schedule has also been altered to make it more fit for purpose.

Schedule 4 – Cost Recovery Mechanism

Further to the details of key developments to this schedule as set out in section (a) of the first part of this appendix, there have been a number of changes.

Schedule 4A sets out the prevailing levy arrangements that have applied since 01/04/12 reflecting the agreed revised arrangements to HWRC levying approved by each Constituent Borough in January 2012 (but otherwise in accordance with the default levy).

Schedule 4A2 is intended to contain any revised cost recovery system that may be agreed between 2012 and 2015/16 (i.e. Transitional Menu Pricing) if unanimity can be achieved.

Schedule 4B sets out the proposed levy arrangements from 2016/17 onwards as detailed in section (a) of this appendix.

In addition to the key principles set out in section (a), Schedule 4B also clarifies the principles for apportionment between Boroughs of payments and additions applicable under NLWA's contracts, as follows:

- Where payment deductions or additions are waste stream specific but not Borough specific (for example MRF performance, energy income or adjustments relating to the interface between the Waste Services and Fuel Use contracts) these adjustments will be included in the annual reconciliation to determine the final cost of the relevant waste stream.
- Where deductions and additions are Borough specific but not tonnage specific these will be deducted or added as adjustments in the annual reconciliation of costs to be borne by each Borough. This includes transport distance deductions (where a Borough has to travel an unreasonable additional distance because a reception point is closed and is therefore eligible for compensation) and some payments made under the Performance Management Framework including those relating to vehicle turnaround times. This category also includes, for example, adjustments in relation to costs arising from Borough liabilities arising under the IAA (such as a breach of GMT (to be calculated in accordance with clause 10) or where a change under the Change Procedure leads to additional costs.
- Where of a general nature (neither waste stream- nor Borough-specific) these will be deducted or added based upon the total actual tonnage of municipal waste delivered to NLWA by each Borough for the relevant financial year. Examples include the Total Diversion Performance Adjustment and the Total Excess Profit Share.

Schedule 5 – HWRCs

Schedule 5 has been split into Schedules 5A1, 5A2 and 5B in accordance with the revised Clause 11.

Schedule 6 – Waste Acceptance Criteria and Protocol (formally Waste Acceptance Protocol)

Some explanatory text has been inserted with regards how the protocol will work and a draft Waste Acceptance Protocol has been inserted (which will be subject to further refinement up to Financial Close).

Schedule 7 – Change Procedure

Some minor clarifications and wording changes have been inserted.

Schedule 8 – Disputes Resolution Procedure

Text has been inserted at 2.2 and 2.3 to reflect that disputes shall initially be referred to the Partnership Board. If unresolved they will be referred to the Clerk of NLWA and the relevant Chief Executives and if still unresolved they will be referred to the Chair of NLWA and the relevant Leaders. If still unresolved the matter will be referred to adjudication (previously the first step).

Schedule 10 – Terms of Reference of the Partnership Board

The full terms of reference have been inserted here drawing on text previously within Clause 13.

Schedule 11 – Schedules of the Waste Services Contract and Fuel Use Contract

Inserted for reference to provide the schedules of the NLWA contracts at the time of the execution of the IAA.

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