

ENVIRONMENT SCRUTINY PANEL

A meeting of the Environment Scrutiny Panel was held on 15 January 2024.

PRESENT: Councillors: Ryles (Chair), Branson (Vice Chair), Ewan, Morrish and S Platt.

OFFICERS: C Coverdale, J Dixon, G Field, D Metcalfe, P Salt and M Walker.

An APOLOGY FOR ABSENCE was submitted on behalf of Councillor Banks.

**** DECLARATIONS OF MEMBERS' INTERESTS**

There were no Declarations of Interest made by Members at this point in the meeting.

MINUTES OF THE PREVIOUS MEETING OF THE ENVIRONMENT SCRUTINY PANEL HELD ON 11 DECEMBER 2023

The minutes of the previous meeting of the Environment Scrutiny Panel held on 11 December 2023 were submitted and approved as a correct record.

**** SUSPENSION OF COUNCIL PROCEDURE RULE 4.13.2 – ORDER OF BUSINESS**

ORDERED: In accordance with Council Procedure Rule No. 4.57, the Scrutiny Panel agreed to vary the order of business to consider agenda item 5 as the next item of business.

COUNCIL BUDGET 2024/25 AND MEDIUM-TERM FINANCIAL PLAN REFRESH – ENVIRONMENT SCRUTINY PANEL

G Field, Director of Environment and Community Services, accompanied by Councillor P Gavigan, Executive Member for Environment, was in attendance at the meeting to provide the Panel with budget proposals relating to the Environment and Community Services Directorate.

Each of the Council's Scrutiny Panels had been asked to consider the budget proposals in relation to its relevant service area/remit as part of consultation with Members. Comments and feedback provided by the Panel would be fed into a briefing note to be submitted to the Overview and Scrutiny Board on 18 January 2024.

Members were reminded of the legal requirement for the Council to set a balanced budget for 2024/25 by 11 March 2024 and the best value requirement to secure financial recovery and stability through setting a balanced three-year Medium-Term Financial Plan (MTFP) over the period to 2026/27.

Due to the Council's critical financial position it was necessary to identify, approve, and implement a range of budgetary control measures at significant scale to return to a financially sustainable position where the annual expenditure of the Council remained within its annual income over the medium term.

On 17 January 2024, the Executive would be asked to consider approving an application to Government for Exceptional Financial Support in order to balance the budget. The money borrowed would be repaid at a slightly higher rate but it would allow the Council to navigate through the period required and to implement transformation of services to regain a financially sustainable position.

If approved by the Executive, once an application had been made for exceptional financial support, Full Council would ultimately decide on setting a balanced budget. There still remained a risk of the Section 151 Officer being required to issue a S114 Notice under s114(3) of the Local Government Finance Act 1988, in the event that the Council was unable to set a legally balanced budget for 2024/25. The adverse consequences of issuing a section 114 notice were significant.

The Director made a presentation to the Panel providing details on:-

- The remaining budget gap.
- Post settlement update/exceptional financial support
- Budget savings proposals for Environment and Communities.

Remaining Budget Gap

The remaining budget gap for 2024/25 after all current budget proposals and Council Tax assumptions was £6.279.

Further gaps of £1.596m for 2025/26 and £0.305m for 2026/27, equivalent to a cumulative budget gap of £8.180m had also been identified. The draft savings and income growth proposals that were subject to consultation totalled £14.038m in 2024/25. For 2025/26 the figure was £5.083m and £1.967m in 2026/27, presenting a cumulative savings plan of £21.088m by the end of 2026/27.

Post Settlement Update

The Provisional Local Government Finance Settlement (LGFS) was announced on 18 December 2023 and was broadly inline with the Council's MTFP and initial assessment and, therefore, did not close the £6.3 million funding gap.

CIPFA guidance to S151 Officers who were considering issuing a s114 Notice was to engage with DLUHC and make an application for Exceptional Financial Support (EFS) in order to agree a financial recovery plan that would avoid the requirement for a s114 Notice.

Exceptional Financial Support would provide a temporary funding solution that would buy time for the Council to achieve financial sustainability and avoid a s114 Notice.

Prior to issuing a s114 Notice, the s151 Officer and Chief Executive, with the support of the Mayor and Executive, would make an application for EFS around mid-January.

It was expected that a response would be received from DLUHC at the latest prior to Council meeting on 28 February.

Environment and Communities Context

In the context of Environment and Communities, the key messages in terms of the budget were:-

- Significant increase in the cost of waste disposal.
- Need to increase the rate of recycling towards national targets.
- Reducing levels of crime and antisocial behaviour but still a significant problem within Middlesbrough.
- Move towards neighbourhood working to increase both responsiveness to the needs of residents alongside increasing community resilience and social capital.
- Increased dissatisfaction derived from community survey in respect of condition of place.
- Green agenda requiring focus on environment sustainability.
- Requirement to ensure that bridges and structures and other assets or maintained to acceptable standards.

Waste Disposal

The costs associated with waste disposal had risen and continued to rise, placing significant budget pressures on the Council.

The Council currently operated a weekly waste collection service. The current 2023/24 net budget for waste collection was £2.854m. Waste disposal was a significant cost to the Council with a

2023/24 budget of £3.969m.

As well as contributing to the Council's environmental objectives, the cost of disposing of recycled waste was much lower (average disposal rate - £53.01 per tonne) than the cost of residual waste (disposal rate - £72.56 per tonne). In addition, it was important to note that there was a significant cost to disposing of waste incorrectly. Residual waste placed in the recycling bin caused contamination to the recycled waste stream and was rejected by waste operators and diverted to the residual waste stream for which the Council had to pay to process twice (average residual waste disposal rate of £173.78 per tonne).

The annual forecast waste disposal costs, as at October 2023, totalled £4.9 million. This included the cost of disposing of residual, recycled and contaminated waste for 2023/24 based on an estimated tonnage total of 71,251. These figures also included green waste disposal, road sweepings and miscellaneous costs such as staffing.

Based on 2021/22 available comparative data, Middlesbrough had one of the lowest recycling rates of all single tier authorities at 29.8% compared to an average of 42.3%. The amount of residual waste was higher than most single tier authorities at 701kg per household compared to 554kg, and the level of contaminated waste was also higher than most single tier authorities.

It was noted that residual waste disposal costs were set to almost double from current rates for 2025/26, making increasing recycling rates critical.

Environment and Communities – Financial Context 2023/24

The Panel was advised that the key drivers of the adverse variance in the Environment and Communities budget was due to:-

- an increase in waste disposal costs - £1.017m largely due to increases in tonnage price, increased Management Fees and higher than anticipated Shutdown costs.
- Bereavement Services – with an adverse variance of £0.699m due to a shortfall in income and increased operational costs. This was partially offset by additional grant income, £(0.857)m across Environment Services and Supported Communities.

Members were informed that at October 2023 (Period 7), the forecast outturn was £133.792m (before Financial Recovery Plans), an adverse variance of £7.438m (+5.9%). This was a decrease of (£1.118m) from the £8.556m reported at Quarter 2.

Financial Recovery Plans totalling £1.584m had been proposed which, if assured and fully implemented, would reduce the adverse variance to £5.854m.

Environment and Communities, with a current net budget of £17.369m, forecast outturn was £18.228m, an adverse variance of £0.859m, however, with financial recovery plans the outturn may reduce by £0.078m to an adverse £0.781m.

Proposed Savings

A summary of proposed budget savings within Environment and Communities that were considered to potentially affect front line service delivery levels were outlined to the Panel, together with savings for each year and proposed reduction in staffing from 2024-2026, where applicable. In summary, they comprised:-

- Fortnightly Residual Waste Collections. (£0.374m – 12.0 FTE)
- Green Waste Collection Charge. (£0.406)
- 'Junk' Job Collection Charge. (£0.092)
- Replacement Wheeled Bins Charge. (£0.033)
- Cease Council financial support for Environment City. (0.105 – 2.0 FTE)
- Resident Parking Permits Charge. (£0.250)

- Car Parking Charge at Stewart Park. (£0.060)
- Review of Community Facilities. (£0.300)

A summary of further proposed budget savings that were considered to have minimal or no effect on front line service delivery levels were also outlined:-

- Integrate Environment Services and Supporting Communities functions to create a Neighbourhood Management approach. (£0.400 – 12.0 FTE)
- Increase in Education and Enforcement around Recycling. (£0.219)
- Review contribution to Community Hubs running costs. (£0.040)
- Charge for Waste Bins on New Developments. (£0.030)

Each of the proposals was explained in detail and Panel Members raised the following issues:-

- Green Waste collection charge – Reference had been made to provision of new green waste bins for residents subscribing to the collection service and it was queried what the cost would be of providing the new bins. The Director explained that all existing green waste bins would be collected in March and taken away. For those wishing to keep a green waste collection service, a charge of £40 would be made for a new green waste bin. This would also cover the cost of the first year of green waste collection. Subsequent bins would be charged for at £20 each. It was expected that the introduction of green waste charging would save approximately £400,000 in revenue and there would be a capital expenditure of around £1 million on the provision of new bins.
- In response to a query, the Director stated it was anticipated that around 25% of those currently using the green waste collection service would continue to do so once charges were introduced. When asked how this figure had been arrived at and whether any comparison had been made with other local authorities, the Panel was advised that comparisons had been made with Hartlepool, whose take up of the green waste collection service had risen to approximately 30%. It was considered that it was a sensible approach to allow for 25% take up in the first year and any additional take up would put the Council in a better financial position. It was also confirmed that should take up be greater than the estimated 25% there would be sufficient bins available for those that wanted them.
- It was queried why new green bins needed to be provided. It was explained that the current green waste bins and vehicles operated on a different lifting system to the recycling and residual waste bins. A move to bring all bins on to the same lifting system would provide greater flexibility with the use of all the collection vehicles.
- In response to a question, the Panel heard that those who currently used the green recycling service but did not wish to pay to continue with collections, would need to make their own arrangements. For example, a resident with a small garden might not require a fortnightly green waste collection so it may not be worthwhile to pay for the service, however, it may be that two or more neighbours might wish to share a green bin and share the costs.
- Car Parking Charge at Stewart Park - Members commented that the forecasted income generated from introducing a charge would be relatively small in the scheme of things and whether charging would be legal as the park was bequeathed to the people of Middlesbrough. The Director advised that this would be examined in greater detail as part of the consultation and was a proposal for the following year (2025/26).
- Review of Community Facilities/ Review contribution to Community Hubs running costs – It was acknowledged that hubs would be encouraged to generate income by increasing chargeable activities, room hire, etc and also noted proposals for locality working and queried whether staff would be located in the hubs and whether this would conflict in terms of whether there would be

enough space for staff as this might possibly hinder plans to increase chargeable activities from the hub. The Director stated that some of the hubs would have sufficient space for both but it would need to be distinguished between the community facility part and the locality working space. In some cases locality teams may not necessarily be based in the actual community hub but in a nearby building.

- Waste Management – disposal costs. Clarification was provided in relation to disposal costs. The slide stated that the cost of recycling waste disposal was £53.01 per tonne and residual waste disposal was £72.56 per tonne and a Panel Member queried why contaminated recycling waste cost £173.78 to dispose of. It was explained that when recycling waste was contaminated it was rejected by the disposal contractor and redirected back into the residual waste stream which the Council then had to pay for again to be disposed of through the incinerator, effectively paying twice for the process plus additional transport costs.
- Neighbourhood Management approach – in response to a query it was clarified that the proposed £400,000 savings was in relation to 12 FTE posts.
- Resident parking permit charges – A Member raised a query as to how the scheme would operate for residents who did not have cars but may need a permit for visitors or for tradespeople attending their property. It was highlighted that temporary permits could be applied for and that trades would need to take the cost on board as part of the cost of the work being undertaken. The Director advised he would look into this proposal further in relation to the visitor permit issue and advise the councillor.

Each individual Scrutiny Panel's views/comments would be compiled in a "consolidation briefing note" to be discussed at the Overview and Scrutiny Board meeting on 18 January. Once agreed by OSB, the briefing note would be submitted to the Mayor and Executive by the Chair of OSB.

The Chair thanked the Director and Executive Member for their attendance and the information provided.

AGREED that the information be noted and that the Panel's views and comments in relation to the budget proposals for Environment and Communities be comprised within a consolidation briefing note to be presented to the Overview and Scrutiny Board on 18 January 2024.

WASTE MANAGEMENT – FURTHER EVIDENCE

C Coverdale, Environment Services Manager, P Salt, Waste Collections Manager and D Metcalfe, Operational Community Safety Manager, were in attendance to provide Members with further information in relation to bulky waste collections and fly tipping collections.

Bulky Waste Collections

The Panel was informed that the Council operated a bulky waste collection service (sometimes referred to as 'junk jobs') for Middlesbrough residents for waste that did not fit inside a residential wheeled bin.

Examples of bulky waste items included: furniture, such as beds and sofas; electrical items and white goods, such as TVs, washing machines, microwaves, fridges, freezers, etc.

There was currently a two-tier service in operation – one providing collections free of charge, and a paid for service ensuring a quicker collection time, known as the premium bulky waste collection service.

The wait time for the free of charge collection service was up to 12 weeks at peak times, however, the service had been suspended for the last two months due to resource issues with vehicles.

The wait times for the premium service varied but, on average was up to three weeks, however, there was currently only a one week wait time due to low take up.

The charges for the premium services were as follows:-

- £22.50 for up to 5 items
- £45.00 for up to 10 items
- £67.50 for up to 15 items
- All prices were dependent on weight

For both bulky waste and premium bulky waste collections, residents were provided with a collection date and advice on how to present the items for collection from the front of their property and asked to leave out by 7.00am on the day of collection. For example, glass must be taped, bubble-wrapped, or smashed up and placed in a securely taped box.

Residents were advised that collection teams were not allowed to enter homes to remove, or help to remove, items and had to make separate collections for electrical and non-electrical items due to environmental legislation and the use of different vehicles to collect such items.

Currently, electrical items were collected on Wednesdays and Fridays and non-electrical items were collected on Wednesdays from South and West Middlesbrough and on Fridays from North and East Middlesbrough.

Mattresses had to be collected separately by another vehicle and if a resident wished to have a mattress collected, no other bulky waste items could be collected at the same time. Mattress collections were made fortnightly on Mondays (except Bank Holidays) and a maximum of three per property could be collected. It was highlighted that a total of 50 mattress collections were made on the last mattress collection round and it was a very popular service.

During the course of discussion, the following issues were raised:-

- In response to a query it was clarified that items were differentiated between at the point of booking when full details of the items to be collected would be taken from the resident. This would determine the collection date(s) for the items depending on what they were. The majority of bookings were for furniture items, electrical goods and mattresses.
- It was acknowledged that the budget proposals included introducing a charge for all bulky waste collections and it was queried whether it was anticipated that there would be any impact on the service. Members were advised that it was not expected to have an adverse impact on the service as generally residents were willing to pay for the service. Advice was also provided to residents regarding considering donating items to charities, such as FRADE, where possible. It was also highlighted that the service had previously incurred a charge for collections prior to the free service being introduced and that had always operated successfully.
- A Panel Member queried whether, with such long waiting times for the free service, whether it was difficult to distinguish between items that had been placed for collection and items that had been fly-tipped. The Environment Manager stated that residents were provided with an appointment date and time (either morning or afternoon) and were advised not to place items for collection until collection day. In cases where suspected fly-tipping was being investigated, the enforcement team would always check to find out whether a bulky waste collection request had been made from that address.
- In response to a query as to how the charges were set, the Panel was advised that the more items there were to dispose of, the greater the waste disposal costs were and Middlesbrough's charges were comparable with other local authorities. Fees and charges were set by full Council following consultation and the current charges for bulky waste collections were set a number of years ago but were usually based on comparisons with neighbouring authorities. In

addition, the weight of the items to be disposed of and sorting to be sent to various disposal streams was taken into account.

- When asked whether providing the service was cost effective, the Panel was advised that approximately £22,000 was generated from the service last year, however, it cost around £128,000 to provide the service.
- Reference was made to licensed waste contractors and it was confirmed that they were generally much cheaper than the Council, however, residents needed to ensure that they used a licensed carrier.
- It was acknowledged that a better balance needed to be struck in terms of operating an affordable service for residents that the Council could afford to operate. It was more cost effective to collect the items as bulky waste collections than to have to collect as fly-tipping.
- It was queried how Middlesbrough's bulky waste service compared with other Tees Valley local authorities. The Panel was informed that the number of requests/booking made for the bulky collection service in Middlesbrough was very comparable with the other authorities. It was further highlighted that currently Middlesbrough was the only authority in the Tees Valley that operated a free of charge service.
- It was recognised that stopping the free of charge service was one of the budget proposals and that this could potentially have a short term impact of a slight increase in fly-tipping, however, education work around the consequences of fly-tipping and using unlicensed waste carriers would need to increase.
- A Panel Member queried whether educational information in relation to recycling and fly-tipping was available in languages other than English. It was highlighted that there were a number of leaflets and other promotional information that had been translated into other languages, however, there were currently around 35 different languages spoken in Newport Ward alone so it could be a challenge. The Cohesion and Migration Team were able to go out into communities and could work with charities in areas with a high private rented sector and temporary accommodation population. In addition, some of the Council's street wardens spoke different languages and were able to communicate within communities.

Fly-Tipping Collections

The Panel was advised that the Environmental Enforcement Team, comprising of a Senior Warden; seven Environmental Wardens and six Area Care Operatives, was co-located within the Neighbourhood Safety and Street Warden Service. The Team was responsible for clearing and investigating fly-tipping using a 'sort it not report it' approach.

As well as focussing on fly-tipping, the Team's other duties included:-

- waste presentation (how bins/waste was presented for collection).
- checks on commercial businesses to ensure they had the correct waste disposal arrangements in place (the Council was able to prosecute if this was not the case).
- Abandoned vehicles (untaxed vehicles could be seized).
- Stray dogs (not dangerous dogs)
- Littering
- Enforcement of Public Spaces Protection Orders (PSPOs) (currently in place for the TS1 area).
- Fly-posting (illegal advertising).

The Team had a range of tools and powers available to them depending on the issue being investigated. This included provision of advice and/or guidance; issuing informal or formal warnings; issue of fixed penalty notices; prosecution.

The Team worked closely with the Council's Legal Service to ensure that the most appropriate tool for each situation was used. It was highlighted that the Team dealt with criminal matters and needed to ensure that the standard of evidence for criminal matters was met. Members were notified that the Council's Enforcement Policy was in the process of being updated.

During the course of discussion, the following issues were raised:-

- In response to a query, Members were informed that the Team was located within the neighbourhood teams already, each having designated areas, allowing them to get to know people within the community, the area itself, and local Ward Councillors.
- Reference was made to The Crown building on the corner of Borough Road and Linthorpe Road and it was stated that many complaints had been received about the current condition of the building and immediate area. The Panel was advised that the building had been cordoned off for safety reasons and that cleansing operatives were not allowed within the cordon in order to clean. The Head of Community Safety advised that she would make enquiries and report back to Members.
- A Panel Member queried the collection of mattresses from alleyways, stating that they often appeared to be there for months without being collected. The Operational Manager advised that this was often due to the weight of the mattress. If the mattress had been put outside and it rained, it could weight up to 300kg and was impossible to move, therefore, they had to be left to completely dry out before they could be removed.

The Chair thanked the Officers for their attendance and the information provided.

AGREED that the information be noted and considered in the context of the Panel's current scrutiny topic of Waste Management.

OVERVIEW AND SCRUTINY BOARD UPDATE

The Chair provided a verbal update in relation to the business conducted at the Overview and Scrutiny Board meeting held on 20 December 2023, namely:

- Executive Forward Work Programme
- Council Plan 2024 onwards
- 2024/25 Budget and MTFP Refresh
- Final Report of the Health Scrutiny Panel – Dental Health and the Impact of Covid 19.
- Scrutiny Panels' Chairs' Updates.
- Next meeting of OSB – Thursday, 18th January 2024, 4.30pm.

ANY OTHER BUSINESS

Feedback from Site Visit to Recycling Facility

The Vice Chair reported back on the site visit undertaken to the Cumbria Waste Recycling Facility on 19 December 2023. The visit had provided Members with the opportunity to see first-hand what happened to recycling once it had been collected from the kerbside and transported to the recycling plant. This included hand sorting by site operatives of all the waste into relevant streams such as glass, paper, cardboard, plastic etc. Members had also witnessed the problems caused by contamination of the recycling waste stream, reinforcing the need for this to be reduced as much as possible. Members had found the visit very interesting and wished to thank the officers and site operatives for the hospitality shown to them.

During the ensuing discussion, it was highlighted that a short promotional video showing a snapshot of what happens to recycling once it reaches the plant might help to promote the message of the importance of recycling.

NOTED

Crustacean Deaths Collaborative Working Group - Update

The Vice Chair advised that a draft report following the one-year investigation by the above group had been shared with the members of the group for comment prior to its next meeting in February. This would be shared with the Scrutiny Panel in due course.

The Vice Chair provided details of the large scale demise of crustaceans that had first occurred in October 2021. It was a major problem in the North East resulting in an 80% decline in catches for local fishermen.

NOTED

DATE AND TIME OF NEXT MEETING

The next meeting of the Environment Scrutiny Panel was scheduled to take place on Monday, 5 February 2024 at 10.00am.