

HERTFORDSHIRE WASTE PARTNERSHIP

MEMBERS GROUP
26th January 2009

Item 7: Waste Infrastructure Capital Grant – Revised Selection Criteria

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1 Purpose of Report

- 1.2 To present a revised selection criteria for the waste infrastructure capital grant, (WICG) and to update Members with respect to the number and value of the bids which have been submitted for funding from the WICG so far.

2 Background

- 2.2 The Hertfordshire Waste Partnership has previously received a number of reports discussing the allocation of waste infrastructure capital grant funding. £2 million is being made available to the boroughs / districts across the period April 2008 to March 2011 to fund improvements in waste infrastructure in pursuit of joint municipal waste management strategy targets.
- 2.3 Administration of the grant has been difficult due to a lack of clear guidance from DEFRA. Consequently a number of discussions were held and a number of reports tabled which detailed selection criteria against which bids for funding would be judged.
- 2.4 The revised selection criteria draws together the essence of these discussions and reports into a single document. The new criteria retains the core principles of the previous criteria but recognises the need for flexibility. Thus based on comparative bids the implied limits per category of spend for each borough / district are taken as guides only.
- 2.5 Finally, whilst retaining the core principles the criteria has also been developed to accommodate the need to tackle other parts of the municipal waste stream such as trade waste. This aligns the fund with the need to tackle other waste streams as well as supporting developments such as the draft trade waste policy presented elsewhere on the agenda.
- 2.6 The revised criteria is attached as appendix A.

3 Current WICG Funded Projects - Summary

- 3.1 As of the 14th January 2009 there are a total of 28 projects being funded from the WICG with a total value of £977,900. The full list is shown in Appendix B
- 3.2 Two of the projects have been completed with invoices due to be submitted shortly.
- 3.3 The projects approved include a number scheduled for implementation during 2009/10 and 2010/11 and, for example, include support for one of the County's largest districts to migrate to an alternate weekly collection system.

4 Consultation

- 4.1 The revised selection criteria were presented to the Heads of Waste group on the 21st November 2008 and incorporates feedback from this meeting. The revised criteria also incorporates feedback from a number of individual Partnership authorities. The Directors' Group noted the report at its meeting on the 15th December 2008 and agreed that it should be presented to the waste infrastructure capital grant Member Sub Group for approval.

5 Recommendations

- A. That the Members' Group notes the revised selection criteria.



WASTE INFRASTRUCTURE CAPITAL GRANTS

SELECTION CRITERIA (draft for approval)

15th December 2008

General Principles :-

1. The Waste Infrastructure Capital Grant (herein referred to as 'the WICG) is to encourage the introduction of collection services and related infrastructure which enables high performance recycling and composting and also enables waste authorities and their partners to build on existing recycling programmes and partnerships.
2. The WICG seeks to make an impact by supporting projects that accrue benefits for all Hertfordshire waste authorities and their communities.
3. The WICG will be allocated in order to secure significant increases in Hertfordshire's household recycling performance, diversion of municipal waste from landfill and to enable waste authorities to meet targets detailed in the Joint Municipal Waste Management Strategy.
4. Whilst target accomplishment will prioritise achieving a 50% household recycling rate by 2012, the WICG will also look to support proposals linked to wider municipal waste management targets detailed in the joint strategy and those likely to be incorporated into the second Local Area Agreement.
5. The WICG will be allocated by means of an evaluation process which requires provision of information necessary for a fair evaluation of proposals without placing an undue burden on those making applications. The level of detail required will be proportionate to the funding and complexity of the project being proposed
6. The WICG will aim to strike a balance between achieving maximum value for money, increased tonnages, supporting innovation and development and the timely implementation of new recycling services.
7. Bids will need to confirm that revenue funding is in place to support the deployment and operation of capital assets over their life expectancy.
8. The WICG will look to prioritise opportunities for joint working and joint procurement. However, the need to ensure the appropriate deployment of assets will over ride the need to joint procure. Effective planning of HWP related procurement should minimise any such conflicts.

Specific Waste Infrastructure Capital Grant Principles :-

1. The Waste Infrastructure Capital Grant is a three year fund with complete flexibility with respect to when funds can be spent.
2. Boroughs / districts should make bids on a 3-year strategic basis. It is accepted that some bids will be provisional based on the need for Committee approvals and external factors like the provision of in-vessel composting capacity.
3. Bids for replacement equipment will not normally be considered unless they result in some form of additionality. Additionality is defined as projects that make meaningful progress towards the collective target of achieving 50% recycling by 2012 through provision of new collection services and / or related infrastructure.
4. Capital bids for assets such as MRFs will only be considered where they support the provision of new recycling services in 2 or more boroughs / districts.
5. Any installation, public relations or promotional costs linked to the deployment of new capital assets will not be paid for by the WICG.
6. Where possible bids for new services should look to adopt common approaches between different boroughs / districts.
7. The priority areas previously identified (detailed on page 6 of this report) for WICG funding remain as the core areas to be concentrated on. However, the limits per category of spend for each borough / district are taken as a guide only. This will allow flexibility in funding approvals as the WICG programme is adapted to take account of new opportunities; significant service developments in individual boroughs / districts; the need to tackle individual waste streams; and any reviews of the overall strategy.
8. Bids for trade waste recycling will only be considered when the boroughs / districts and the county council have agreed a new policy on the management of trade wastes. Bids for vehicles related to trade waste recycling will need to demonstrate that the tonnages being collected are new tonnages not previously captured for recycling.
9. The Hertfordshire Waste Partnership will be allocated a non ring fenced sum of up to £200,000 for contingency work including applying for matching grants from external funding sources as and when opportunities arise. Such expenditure will need to comply with the spending rules set by DEFRA for the Waste Infrastructure Capital Grant.
10. The Partnership Development Manager in consultation with the Member subgroup is authorised to 'step outside' of the agreed criteria should a bid and / or combination of bids have the potential to significantly increase performance in pursuit of the 50% recycling target.
11. The Hertfordshire Waste Partnership and the Member subgroup will receive quarterly reports on progress with the WICG.
12. The WICG Member Group is available to meet and discuss issues as and when required.

Bid Evaluation :-

These are the main considerations that will be taken into account when assessing capital bids :-

1. Bids must aid in the development of collection services and related infrastructure which deal with priority materials highlighting how their proposals will contribute to increasing municipal waste recycling rates in Hertfordshire.
2. Bids must include a business plan that is realistic and includes the identification and management of risks associated with the bid.
3. Bids should highlight any match funding relevant to their proposals from internal sources, third party funding, external contractors or other stakeholders. Bids should specify the value, type and sources of any private sector investment being provided as part of the bid. This should be interpreted widely and should not be confined to financial investment.
4. Applicants should confirm that the necessary revenue funding is available to support the operation of their capital asset(s).
5. Bids must highlight the development of partnerships between waste authorities, other Borough departments such as economic development units and the private sector. Work with 'third sector' organisations such as voluntary groups may also be applicable.
6. Bids should describe the role and contribution of partners to the proposed project. Applications that support partnerships will compare more favourably than other bids everything else being equal.
7. Bids should describe the nature of any new capacity / infrastructure being provided together with the materials which will be handled and the type and tonnage of recycled "product" produced.
8. Bids should describe the estimated contribution to increasing levels of asset utilisation thereby ensuring that maximum potential output is being extracted from relevant existing investment and that proposed new investment will result in additional "added value".

The priority areas agreed for grant funding by the Member Subgroup are shown below :-

On-Street Recycling Bins

To be funded at 100% of bid amounts.

- Single designs will not fit all locations. Consequently District Councils are to choose from 3 designs that have been agreed. See Appendix A.
- Regardless of which design is chosen all bins to carry the HWP logo.
- District councils are should each bear their costs of installation.

Kerbside Collection Containers

To be funded at 75% of bid amounts.

- District councils will have to match fund the first 25% of any bid for containers.
- Options for joint procurement will be explored based on District Councils agreeing a common specifications for various containers.
- The County Council is prepared to bulk purchase bins, boxes and caddies and 'sell' them to the District Councils at 25% of their cost.
- Regardless of which design is chosen all containers are to carry the HWP logo.
- District Councils can add their own logos to containers at their own expense.

Flats recycling facilities

To be funded at 75% of bid amount

- Greater flexibility will be given to a range of bids for flats recycling given the different situations in each District Council.
- Bids which look to use standardise collection approaches between different District Councils will be given priority.
- Regardless of which design is chosen all containers are to carry the HWP logo.
- District Councils can add their own logos to containers at their own expense.

Vehicles for providing services to 'harder to access' residents

To be funded at 50% of bid amount

- It is recognised that most district councils have hard to reach properties.
- Bids must be for new vehicles. Replacement vehicles will not normally be considered unless supported by a business case that demonstrates that overall significant additional recycling tonnages can be captured.
- All vehicles should be HWP branded.
- District Councils can add their own logos at their own expense.