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NOTICE OF MEETING

Meeting	Economy, Transport and Environment Select Committee
Date and Time	Tuesday, 14th November, 2017 at 10.00 am
Place	Chute Room, Elizabeth II Court South, The Castle, Winchester
Enquiries to	members.services@hants.gov.uk

John Coughlan CBE
Chief Executive
The Castle, Winchester SO23 8UJ

FILMING AND BROADCAST NOTIFICATION

This meeting may be recorded and broadcast live on the County Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Filming Protocol available on the County Council's website.

AGENDA

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST

All Members who believe they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore all Members with a Non-Pecuniary interest in a matter being considered at the meeting should consider whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, consider whether it is appropriate to leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with the Code.

3. MINUTES OF PREVIOUS MEETING (Pages 3 - 8)

To confirm the minutes of the previous meeting

4. DEPUTATIONS

To receive any deputations notified under Standing Order 12.

5. CHAIRMAN'S ANNOUNCEMENTS

To receive any announcements the Chairman may wish to make.

6. WASTE STRATEGY (Pages 9 - 38)

For the Select Committee to scrutinise a report of the Director of Economy, Transport and Environment regarding a revised overall strategic direction for waste management in Hampshire, in advance of its consideration by the Executive Member for Environment and Transport on the afternoon of 14 November 2017.

7. AIR POLLUTION AND AIR QUALITY (Pages 39 - 56)

To consider a report of the Director of Economy, Transport and Environment regarding air pollution and air quality.

8. CONCESSIONARY FARES SCHEME UPDATE (Pages 57 - 64)

To consider a report of the Director of Economy, Transport and Environment providing an update on the concessionary fares scheme, following a request by the Select Committee to consider the impact of a change in policy from January 2017, regarding no longer automatically renewing older persons passes that have not been used for 6 months.

9. WORK PROGRAMME (Pages 65 - 70)

To consider the work programme for the Economy Transport and Environment Select Committee.

ABOUT THIS AGENDA:

On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.

ABOUT THIS MEETING:

The press and public are welcome to attend the public sessions of the meeting. If you have any particular requirements, for example if you require wheelchair access, please contact members.services@hants.gov.uk for assistance.

County Councillors attending as appointed members of this Committee or by virtue of Standing Order 18.5; or with the concurrence of the Chairman in connection with their duties as members of the Council or as a local County Councillor qualify for travelling expenses.

Agenda Item 3

AT A MEETING of the Economy, Transport and Environment Select Committee of HAMPSHIRE COUNTY COUNCIL held at the castle, Winchester on Tuesday, 19th September, 2017

Chairman:
p Councillor Floss Mitchell

Vice Chairman:
p Councillor Charles Choudhary

p Councillor John Bennison
Councillor Roland Dibbs
p Councillor Edward Heron
a Councillor Gary Hughes
p Councillor Rupert Kyrle
p Councillor Derek Mellor

p Councillor Stephen Philpott
p Councillor David Simpson
a Councillor Michael Thierry
p Councillor Martin Tod
p Councillor Michael White
p Councillor Bill Withers Lt Col (Retd)

Also present with the agreement of the Chairman: Councillor Rob Humby, Executive Member for Environment and Transport

9. **APOLOGIES FOR ABSENCE**

Apologies for absence were reported on behalf of Cllr Gary Hughes and Cllr Michael Thierry. Cllr Jan Warwick, conservative Substitute, attended in their place.

10. **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

11. **MINUTES OF PREVIOUS MEETING**

The minutes of the last meeting were reviewed and agreed.

Under matters arising: under minute 6, circulation of information about topics previously scrutinised by this committee was requested. It was noted that the scrutiny officer had emailed members weblinks to the annual report of scrutiny for 2016/17 and the previous two years annual reports, which covers this information.

12. **DEPUTATIONS**

No deputations were received at this meeting.

13. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman encouraged Committee Members to attend one of the forthcoming briefings at Hampshire's highway depots due to take place in October.

The Chairman also drew attention to future Member Briefings relevant to the remit of this Select Committee:

- 11 October 2017 regarding the New Hampshire Highways Service Contract and the new Shadow Sub National Transport Body - Transport for the South East
- 6 February 2018 - an Overview of the Economic Development Function
- 22 March 2018 - Tourism

The Chairman also announced that it was planned to arrange a workshop style event for Members of the Select Committee on 'Managing the decline of the highway asset' and on 'future proofing Hampshire's approach to waste management'. Members would be informed once dates had been arranged for these.

14. **TRANSFORMATION TO 2019 – REVENUE SAVINGS PROPOSALS (ECONOMIC DEVELOPMENT)**

The Select Committee received a presentation from the Director of the Economy Transport and Environment Department regarding the Revenue Savings Proposals for the Economy Transport and Environment Department under the 'Transformation to 2019' Programme. (see Item 6 in the Minute Book)

Regarding the budget for Economic Development, Members heard that the proposed revenue savings would be achieved via operating model changes. This included reductions in posts or moving to part funding posts with other organisations (for example the Local Enterprise Partnerships).

Members asked questions to clarify points and debated the proposals. Following the debate the Chairman proposed the recommendation, which was carried by 9 to 3:

RECOMMENDED:

The Economy Transport and Environment Select Committee support the submission to Cabinet of the proposed savings options contained in the report to the Executive Member for Economic Development.

15. **TRANSFORMATION TO 2019 - REVENUE SAVINGS PROPOSALS
(ENVIRONMENT AND TRANSPORT)**

The Select Committee received a presentation from the Director of the Economy Transport and Environment regarding the revenue savings proposals for the Economy Transport and Environment Department under the 'Transformation to 2019' Programme. (see Item 7 in the Minute Book)

Members heard that the savings target for the Economy Transport and Environment Department was £19 million from the cash limited revenue budget. Members were reminded of the budget position for the Council overall, and the savings already made in the Economy Transport and Environment Department under the 'Transformation to 2017' Programme.

It was noted that following consideration by the Select Committee, the proposals would go to the relevant Executive Members for consideration later that day, then the Cabinet would consider the collective proposals in October, and put the whole package to full Council for decision in early November 2017. For those proposals that directly affect the public, further consultation would be undertaken in due course on specific proposals, and further decisions would be taken on the detailed changes required.

The following Members declared an interest in this item by virtue of being Members of Hampshire District or Borough Councils, and remained for the debate: Cllr Heron, Cllr Warwick, Cllr White, Cllr Philpott, Cllr Tod, Cllr Kyrle and Cllr Simpson.

Members heard that one of the areas where it was proposed to make savings was through no longer funding school crossing patrols. It was noted that this was a discretionary service, and it cost around £6,000 per year to provide each one. The County Council would be open to continuing to provide school crossing patrols if a third party were to fund them e.g. the relevant school, parish council or other community group. Some Members expressed concern that in areas of deprivation it may be harder to fund school crossing patrols from the community. Some Members commented that they would like to see a safety audit of school crossing patrols, to take into account when considering withdrawing this service.

Another area where savings were being targeted was waste. It was noted that the Household Waste Recycling Centres (HWRCs) were the only non demand led element of the waste budget, therefore this area had to be considered to find the required savings. It was reported that Hampshire currently has more HWRCs than comparable areas. However, some Members did not support the proposal to reduce the number of HWRCs. Discussions were also underway with District Councils regarding recycling rates and opportunities to improve e.g. by capturing more recyclable materials through kerbside collections.

Savings were also being proposed from the budgets for bus subsidies and community transport. It was reported that 87% of bus journeys were commercially viable. Some Members expressed concerns that the Equality Impact Assessments indicated that the proposals had a disproportionate impact

on older and disabled people, for example those groups were most likely to use buses and community transport.

Other Members noted the need to balance the budget, and considered that the proposals were the best method to achieve that, given the constraints.

Cllr Humby, Executive Member for Environment and Transport, encouraged all Members to lobby their local MP regarding the funding situation for local government, and provided reassurance that the Cabinet were regularly discussing the issue at Westminster.

Cllr Tod suggested consideration be given to opportunities to derive income from renewable energy, as an opportunity to generate income and therefore avoid the need for savings. It was indicated that this topic would fall within the remit of the Culture Communities and Business Services Department.

Following questions and debate, the Chairman proposed the recommendation which was carried 9 for and 3 against:

RECOMMENDED:

The Economy Transport and Environment Select Committee support the submission to Cabinet of the proposed savings options contained in the report to the Executive Member for Environment and Transport and its Appendix 1.

16. STRATEGIC TRANSPORT - HAMPSHIRE'S PRIORITIES

The Select Committee received a report on behalf of the Director of Economy Transport and Environment regarding strategic transport funding and policy (see Item 8 in the Minute Book).

It was reported that the Housing Infrastructure Fund had been launched this summer, and at their meeting the previous week the Cabinet had approved two bids to submit for this national funding.

Hampshire County Council had been successful in developing schemes and bidding for funding when the opportunity arose. Investment would be required to continue developing schemes.

The government was also developing a highway maintenance funding stream for maintenance of the 'major route network' (significant roads managed by Local Authorities). The Sub National Transport Body would be giving consideration to priorities for this funding for the South East.

Some Members commented that there should be a higher priority given to cycling and walking in transport reports in support of public health aims regarding obesity.

Following questions and debate, the Chairman proposed the recommendation which was agreed:

RECOMMENDED:

The Economy Transport and Environment Select Committee support the recommendations being proposed to the Executive Member for Environment and Transport in Section 7 of the report.

17. **ROAD SAFETY TASK AND FINISH GROUP**

The Chairman presented the proposed terms of reference for the task and finish group on Road Safety (see Item 9 in the Minute Book). The Chairman proposed Membership of the Group.

RESOLVED:

The Terms of Reference for the Task & Finish Group on Road Safety be agreed.

The Membership of the Working Group be as follows:

Cllr Charles Choudhary (to Chair the group)

Cllr Edward Heron

Cllr Michael Thierry

Cllr Bill Withers

Cllr Martin Tod

Cllr Rupert Kyrle

18. **WORK PROGRAMME**

The Chairman presented the proposed work programme for the Select Committee, as updated since the last meeting (see Item 10 in the Minute Book).

RESOLVED:

The Work Programme is agreed.

Chairman,

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HAMPSHIRE COUNTY COUNCIL

Report

Committee:	Economy, Transport & Environment Select Committee
Date:	14 November 2017
Title:	Waste Strategy
Report From:	Director of Economy, Transport and Environment

Contact name: James Potter

Tel: 01962 845487

Email: james.potter@hants.gov.uk

1. Purpose of Report

- 1.1. For the Select Committee to scrutinise the attached Executive Decision Report in advance of its consideration and decision by the Executive Member for Environment and Transport on the afternoon of 14 November 2017.
- 1.2. In summary the attached Executive Decision Report proposes a revised overall strategic direction for waste management in Hampshire, to help address pressures. Steps proposed extend from undertaking more behavioural insights work and exploring joint working opportunities, to investigating the need for additional disposal infrastructure and a specific recommendation to produce a full business case for the development of a single Material Recovery Facility (MRF) option.

2. Recommendation

That the Economy, Transport and Environment Select Committee:

2.1. Either:

Support the recommendations being proposed to the Executive Member for Environment and Transport in Section 9 of the attached report.

Or:

Agree alternative and/or additional recommendations to the Executive Member for Environment and Transport, with regards to the proposals set out in the attached report.

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HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Environment and Transport
Date:	14 November 2017
Title:	Waste Strategy
Report From:	Director of Economy, Transport and Environment

Contact name: James Potter

Tel: 01962 846771

Email: james.potter@hants.gov.uk

1. Executive Summary

1.1 The purpose of this paper is to seek approval for the revised overall strategic direction for waste management in Hampshire. In addition it sets out specific recommendations with regards to developing a detailed business case for the development of additional infrastructure for recyclable waste.

1.2 This paper seeks to:

- Set out the current context and legislative landscape in terms of waste management in Hampshire;
- Consider the current key performance measures and pressures facing waste services; and
- Outline the proposed strategic direction and the key work streams to be undertaken to tackle the identified issues and pressures.

2. Existing Structural Arrangements

2.1 Hampshire County Council, as a waste disposal authority, has a statutory duty for the disposal of municipal waste arisings in Hampshire. In order to fulfil this function, it has, in conjunction with its waste disposal partners, the unitary authorities of Portsmouth City Council (PCC) and Southampton City Council (SCC), entered into a waste disposal service contract (now extended to 2030) and a contract for the management of 26 Household Waste Recycling Centres (HWRC) (to 2030) both of which have been awarded to Veolia UK.

2.2 In addition to this, all 14 waste authorities of Hampshire (Disposal and Collection) are partners, along with Veolia, in Project Integra, the partnership established in the mid-1990s to deliver an integrated waste management service.

2.3 As a result of this approach, investment was made into a suite of infrastructure, which consists of:

- 3 Energy Recovery Facilities (ERFs)
- 2 Material Recovery Facilities (MRFs)

- 2 Composting Facilities
- 10 Transfer Stations
- 26 Household Waste Recycling Centres (including the Unitaries)

2.4 In addition to these responsibilities the County Council also holds historic liability for 14 closed landfill sites.

3. Financial Position

3.1 Household waste related services in Hampshire cost approximately £106m per year with these costs split approximately 1/3rd spent on waste collection and 2/3rds spent on waste disposal. This includes repaying the capital investment made by Veolia in delivering the aforementioned infrastructure.

3.2 As part of ongoing Transformation programmes, the County Council has, to date, achieved savings of £8.033 million (2012 - 2017). This has been delivered through the following initiatives:

- Disposal contract
 - Landfill diversion
 - Contract extension
 - Improved performance and innovations
- HWRC
 - Re-tendering the management contract
 - Operating hours changes
 - Charges for non-household wastes
 - Maximising performance

3.3 On top of the delivered savings a further £4.875 million is now required as part of the Transformation to 2019 programme, split between the disposal contract (£3.675m) and the HWRCs (£1.2m). These savings are intended to be achieved through performance improvement actions such as waste prevention, behavioural insights led communications, expanding the range of recyclable materials able to be collected from the kerbside, further landfill diversion, and from further service changes at the HWRCs, including the potential to close some of the current 24 site network.

4. Legislative context

4.1 Waste is a heavily regulated activity with the predominance of the UK legislation covering waste activities being a transposition of that emanating from Europe such as the Waste Framework Directive; the WEEE Directive and the soon to be adopted Circular Economy Framework. Whilst the UK is now planning to leave the European Union, it is expected that the broad policy direction will continue after Brexit.

4.2 In the UK, responsibility for waste issues has been passed to the Devolved Administrations which has led to a growing gap in ambition and aspiration with regards to issues such as recycling performance. In England, the last waste Strategy was published in 2007; it was reviewed in 2011, with a Waste

Management Plan for England published in 2013 in fulfilment of the requirements of the Waste Framework Directive. Since that time there has been limited Strategic Policy interventions in England other than on some waste specific issues such as the Waste prevention Strategy (2013) or the more recent litter Strategy (2017). Whereas, in Wales and Scotland, there has been a much more progressive approach setting stretching recycling targets with their respective “Towards Zero Waste” and “Zero Waste Plan”.

- 4.3 There is currently a significant waste related directive known as the Circular Economy Package being negotiated via the EU’s Trilogue¹ process due to differences of opinion between the Parliament and the Commission on certain elements of the proposals. These proposals include:
- Increased recycling targets by 2030 to 60-70% (subject to agreement via trilogue) – *it is understood that the UK Government is seeking a rate at the lower end of the range.*
 - Limitation of landfill including potential bans on certain material types and even compulsory food waste collection.
 - A revised definition of municipal waste and a single method of calculating recycling performance.
 - Extend Producer Responsibility – extending the producer pays principle from areas such as packaging and WEEE in to other waste types.
- 4.4 The current EU Presidency, Estonia, has expressed the wish to conclude negotiations on the Circular Economy Package by the end of their term i.e. December 2017. At this time it is uncertain as to whether, in light of Brexit, the UK will be required to meet this target. It is currently anticipated that the transposition deadline will fall outside of the window in which the UK will leave the EU. However, should there be a transition period after leaving the EU then this requirement may come into play. DEFRA are currently expecting that this will be the case.²
- 4.5 In recent weeks there has been more activity in the legislative arena with some links to waste management in documents as well as indications of more specific publications to come;
- Published:
 - The Clean Growth Strategy which states that a new “waste and resources strategy” will be published next year
 - A Defra “call for evidence” on drinks bottles deposit return schemes
 - A WRAP consultation on standardisation of bin colours (part of the wider “consistency” agenda)

¹ Trilogues are a set of informal negotiations between the European Parliament, the Council of the European Union and the European Commission used with a view to reaching early agreements on legislation.

² <https://www.letsrecycle.com/news/latest-news/circular-economy-package-expected-to-be-implemented/>

- National Infrastructure Commission’s Congestion, Capacity, Carbon consultation
- Expected:
 - Industrial Strategy
 - Defra’s 25 year Environment Plan

5. Performance

5.1 In the late 1990s and early 2000s Hampshire was a leader in terms of recycling performance and landfill diversion, with state of the art infrastructure. Over time, however, other authorities, without the benefit of a similar range of infrastructure (especially the ERFs), have invested in a broader recycling offer which includes materials that Hampshire’s current MRFs cannot process. This has led to a gradual decline in the County Council, and other Hampshire authorities’ national ranking as shown in Tables 1 & 2.

Table 1 – A Comparison of Recycling Performance and Waste Collected (kg/household) for Hampshire, Southampton and Portsmouth Against Neighbouring and Regional Authorities 2015-16

Neighbouring Disposal Authority	Recycling %	National Ranking
Dorset Waste Partnership	59%	15
Surrey County Council	55%	36
Isle of Wight Council	45%	147
Wiltshire	44%	157
Kent County Council	44%	162
Medway Borough Council	43%	181
West Sussex County Council	42%	188
East Sussex County Council	42%	195
Hampshire County Council	39%	230
Southampton City Council	27%	325
Brighton and Hove Council	25%	337
Portsmouth City Council	23%	338

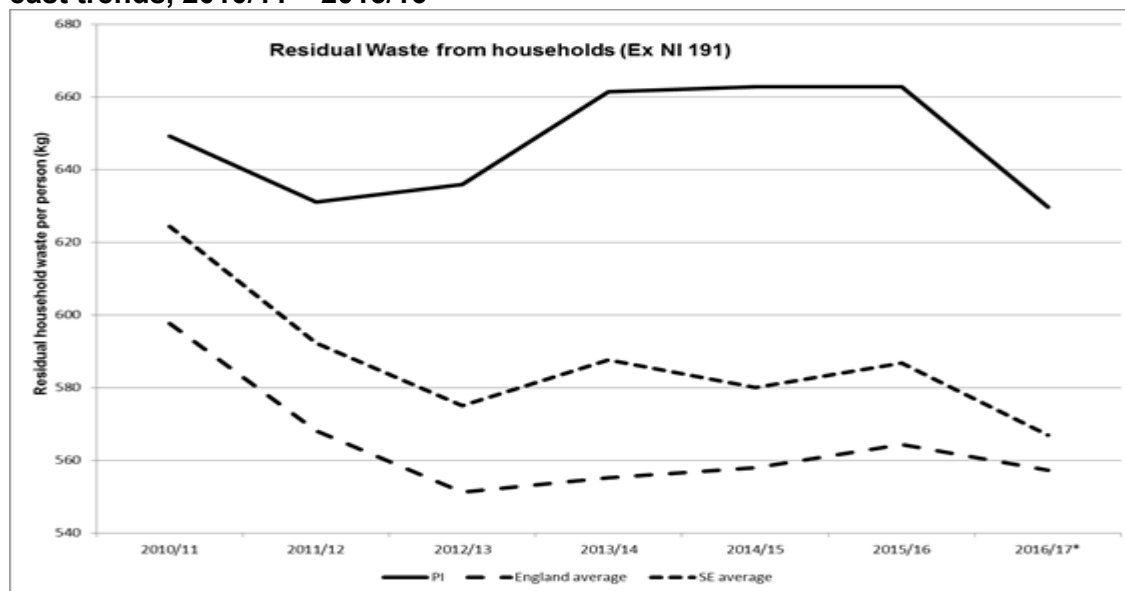
5.2 The top performing collection authority in Hampshire achieves a 40% recycling rate and offers a wide range of kerbside collection services including the standard dry mixed recyclables, green garden waste (chargeable), glass, batteries and food waste. Despite this wide range of materials it should be noted that they only rank 214 out of 351 English Authorities and are still almost 10% below the 50% recycling rate required by 2020. The worst performing Hampshire authority is the eighth worst authority nationally.

Table 2 Hampshire Districts compared to National Performance (2015/16)

Rank	Authority	Performance
1	South Oxfordshire DC	66.6%
2	East Riding of Yorkshire	66.1%
3	Rochford DC	66%
4	Vale of the White Horse DC	64.8%
5	Surry Heath BC	62.1%
214	Top performing Hampshire Authority	40.2%
343	Lowest performing Hampshire Authority	21.8%
351	Newham LB	14.7%

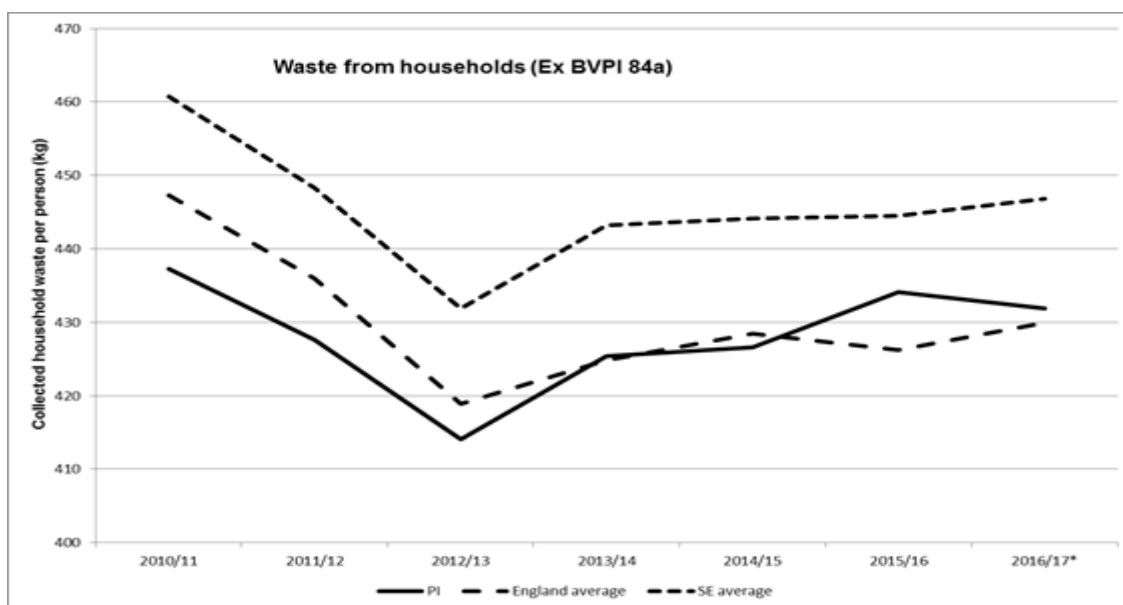
5.3 Fig 1 shows the amount of residual waste per household in KG compared with both the national average and the South East, and illustrates that whilst Hampshire has always been greater, the difference between them has increased significantly over time. Whilst Hampshire has seen a reduction in the last year this data tallies with the fact that other authorities have invested significantly in waste prevention campaigns targeting waste volumes.

Fig 1 - PI residual waste arisings (kg per household) compared to national and south east trends, 2010/11 – 2015/16



5.4 However, it is not just that Hampshire produces more waste overall. Fig 2 below shows the total waste per person and illustrates that Hampshire actually performs well per person in terms of total waste. When combined with the fact that the recycling rate is low this indicates that there is a significant amount of recyclable material still within the residual waste stream that could be captured. Diversion into the correct material stream is key.

Fig 2 - PI household waste arisings (kg per head) compared to national and south east trends, 2010/11 – 2015/16



5.5 The County Council's recycling rate in 2015/16 was 39.08%. This figure is made up of a combination of the recycling undertaken by the county council, mainly via the HWRC network (see section 7) and that of the Districts and Boroughs, or Waste Collection Authorities, operating within the County Council's area.

5.6 With the National recycling target of 50% as set by the Waste Framework Directive looming in 2020, Therese Coffey, the Parliamentary Undersecretary of State for DEFRA wrote to all 36 English authorities at 30% or under recycling performance (2015/16) in July to enquire about the action that they will be taking to improve their performance (7 of the Project Integra's 13 collection authorities received this letter):

- New Forest DC – 30%
- Havant DC – 28.6%
- Southampton CC – 27.2%
- Basingstoke & Deane BC – 26.3%
- Rushmoor DC – 25.9%
- Portsmouth CC – 23.4%
- Gosport BC – 21.8%

5.7 Therefore, there is a need to explore the opportunities to significantly improve recycling performance across all Project Integra partners. Work is underway to consider increasing the range of materials acceptable as part of the kerbside recycling service (Section 8.5) and to improve residents behaviour in terms of increasing capture, and reducing contamination, of kerbside recyclables. However, as discussed in Section 7, the Transformation to 2019 savings target from the HWRCs service potentially threatens the best performing part of the whole household waste service.

6. Pressures on the Waste Services

6.1 The pressures on waste services come in a number of forms which inter-relate with factors such as the economy and population growth, key influences in the service demand. A healthy economy tends to lead to a population with more disposable income and this in turn leads to waste growth, whilst an increasing population leads to an increase in housing numbers which in turns leads to increased waste production, as each new house is estimated to be equivalent of an additional 1 tonne a year of demand. These demands lead to budgetary and capacity pressures. An additional pressure also arises from the structure of local government waste services in two tier areas, where separate budget management and local politics can be barriers to optimising the efficiency of the service.

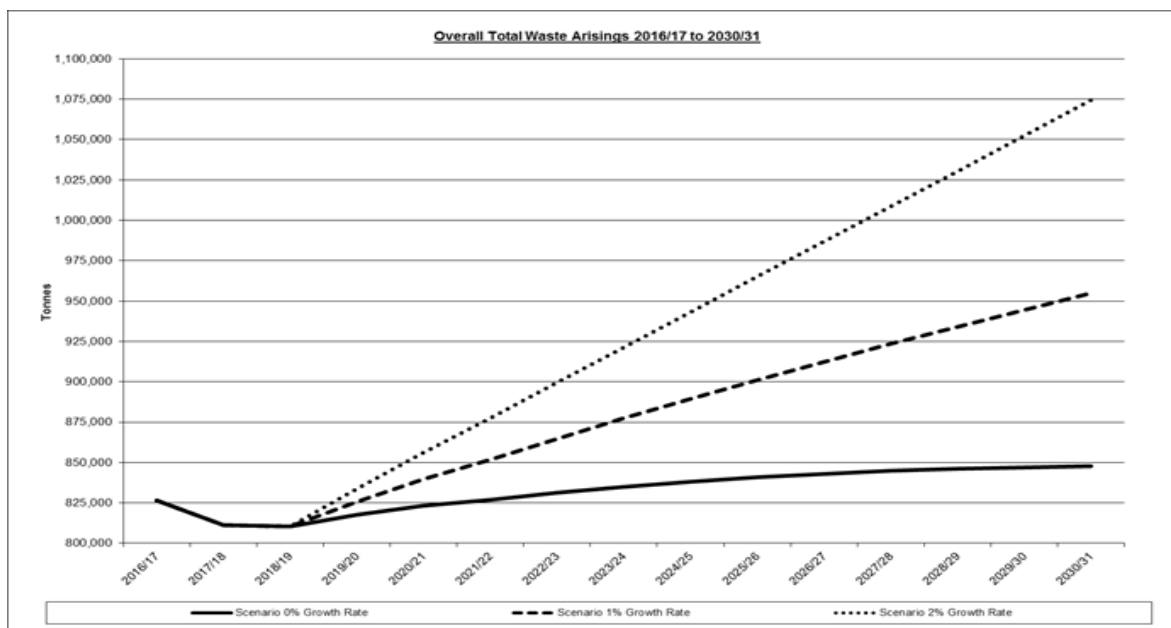
6.2 Waste Growth - Housing

6.2.1 Current estimates project an increase in housing across Hampshire of 100,000 by 2030. At the equivalent of 1 tonne of additional waste per new house, this is an estimated increase in total waste arising of 100,000 tonnes. This will have budgetary and capacity implications both for the collection and disposal authorities in Hampshire. There is a Project Integra officer working group that is assessing the implications of housing growth on whole system costs and performance that is due to report back to the Project Integra Strategy Board with an interim report in early 2018.

6.3 Waste Growth – Economic Growth

6.3.1 This element of waste growth is related to economic well being and so is difficult to predict. In the late 1990's when the economy was growing, annual increases in waste of 3% were not uncommon. However, following the credit crunch in 2008, total waste arisings fell and the economy went into recession. Any modelling over an extended period of time is only going to provide an indication of potential outcomes, and the graph in Fig 3 shows the implications of a sustained growth at 0%, 1% and 2% waste growth.

Fig 3 – Shows the potential implications of Waste growth through to the end of the current Waste Disposal Contract.³



6.4 Budgetary implications

6.4.1 Each additional tonne of waste from a new house or other waste growth is a further cost to be borne by the tax payer for its collection and disposal. The ultimate cost will relate to a number of factors such as its recyclability. For example composting green or garden waste is cheaper than disposing of it via energy recovery incineration or landfill.

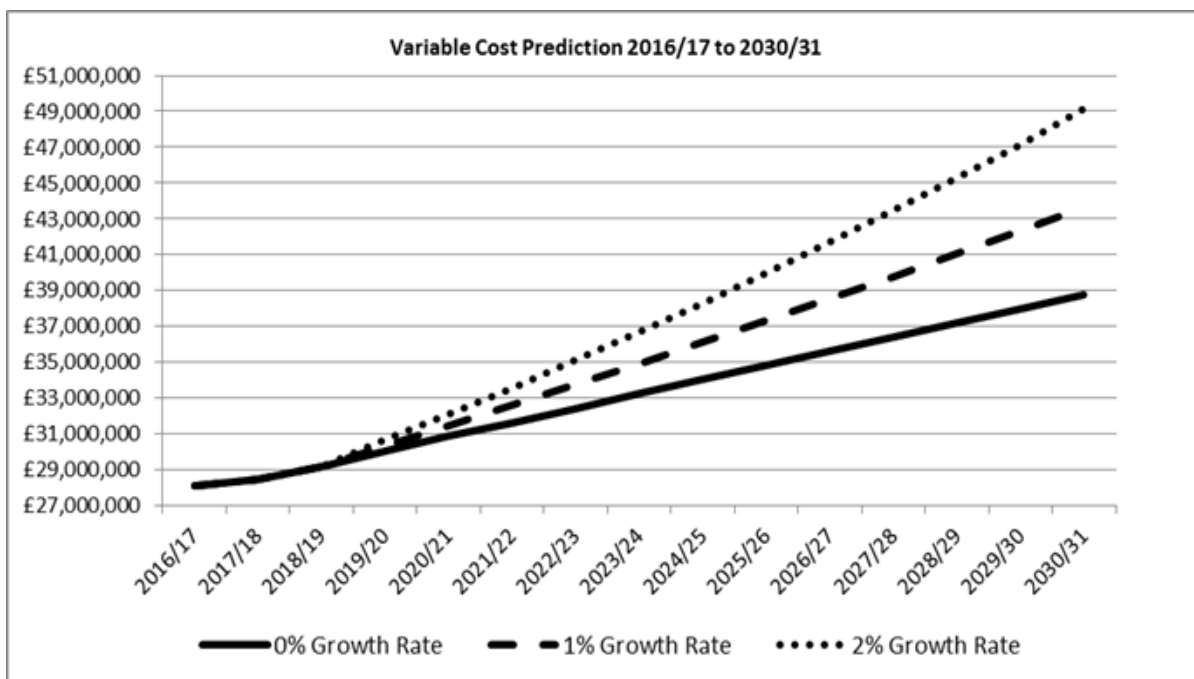
6.4.2 Other factors affecting the cost burden include legislation such as government taxes i.e. landfill tax or possible future incineration taxes; the availability of markets for recyclable or recoverable materials; exchange rates etc. For example since the fall in the value of the Pound (£) following the Brexit referendum the cost of sending refuse derived fuel to continental Europe has increased significantly.

6.4.3 Fig 4 shows the potential budget implication to the County Council of a) the current projected housing growth only (0%) and b) housing growth plus a 1% economically related waste growth, and c) 2% economically related waste growth only. This assumes an average cost per tonne based on the existing service arrangements and a 2% annual indexation.

6.4.4 This indicates that when forecast from the current year (2017/18) and allowing for planned housing growth, waste growth of 2% and annual indexation at 2%, the variable cost of dealing with waste in Hampshire would rise from £29 million to £49 million by the end of the current waste disposal contract in December 2030.

³ The figures include planned housing growth.

Fig 4 – shows the implications of waste growth (0%, 1% & 2%) on the service cost (Variable⁴ fees only)⁵



6.5 Infrastructure Implications

6.5.1 Waste infrastructure is expensive to deliver. The County Council entered into a contract in 1997 for the delivery of a suite of infrastructure which at the time required an investment of c. £200 million by the contractor, Veolia. In order to make this affordable the contract term was 20 years from the commissioning of the Energy Recovery Facilities, during which time the County Council was effectively repaying the mortgage.

6.5.2 These arrangements, whilst providing state of the art infrastructure at the time, are also limiting on how technological advances can be adopted during the contract term, without significantly increasing costs, as the previous generation of technology is still being paid off.

6.5.3 The extension of the contract negotiated as part of the Transformation to 2015 and 2017 programmes has provided an opportunity to review the existing MRF provision (see section 8.5), but it is also an opportunity that will require a capital injection to make it deliverable at a time when there is a further requirement to reduce revenue expenditure.

6.5.4 The ERFs are a more fixed element of the infrastructure with a finite capacity. The contractual arrangement with Veolia ordered a specified annual capacity

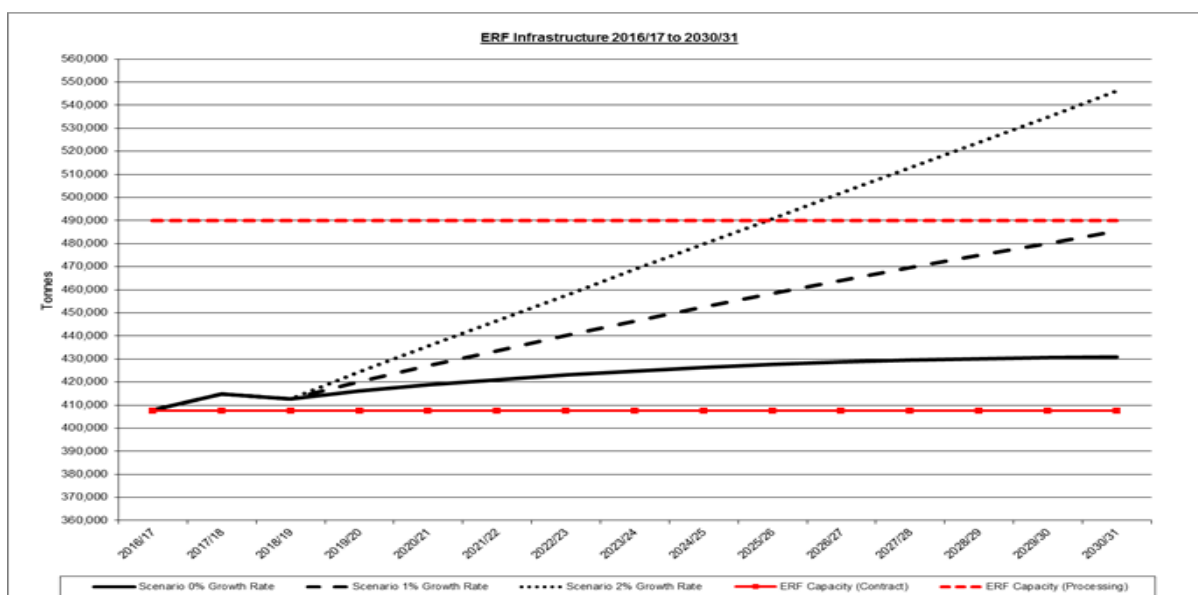
⁴ The variable cost is a per tonne figure for processing of waste, these exclude the fixed fees that essentially cover the 'mortgage' for provision of the waste infrastructure that has been delivered as part of this contract.⁴

⁵ Figures include RPI, planned housing growth and excludes any increase or decreases income resulting from capacity limits.

of 407,500 tonnes and then allows Veolia to sell any spare ERF capacity whilst sharing the profits with the 3 WDAs.

6.5.5 Fig 5 shows projections for ERF capacity demand over the life time of the contract based on planned housing, and other waste growth. This indicates already being marginally in excess of the contract capacity of 407,500 tonnes. Each tonne of waste over the contract capacity that is sent to the ERFs has a double negative impact on the financial position as it results in increased processing costs and loss of revenue from the sale of spare capacity to third parties. Whilst work is underway to minimise growth of waste (waste prevention) and to improve diversion of wastes away from residual disposal (single MRF and Behavioural Insights), further work is required to evaluate options for delivering further disposal capacity, this will include the potential commercial benefits of additional spare disposal capacity in light of dwindling landfill void.

Fig 5 – Shows the implications of projected waste growth on ERF Capacity over the course of the Waste Disposal Contract. ⁶



6.5.6 It should also be noted that the one remaining landfill in Hampshire for the disposal of non-hazardous wastes is Blue Haze Landfill, Verwood on the County’s western border. It is operated by Veolia but sits within its commercial operations and outside of the Hampshire contract. This landfill has a finite capacity and is expected to close in the mid 2020s. It is not currently expected that any replacement site is likely to be opened in Hampshire.

6.5.7 This will require further work to reduce the 3.65% (2016/17) of contract wastes that are presently sent to landfill such as re-use and recovery of wastes current collected by District Bulky Waste collections (section 6.1) or require the

⁶ Figures include planned housing growth but excludes MRF residue as this is currently diverted as part of a trial and it is assumed this will continue.

development of alternative disposal options. Without this there will be a significant cost increase in the later years of the contract as waste will be required to be exported from Hampshire to landfill sites i.e. in Buckinghamshire and further afield.

6.6 Inconsistency in Collection

- 6.6.1 All District and Borough Councils in Hampshire Collect the same range of co-mingled dry mixed recyclables (DMR) set out in the input specification appended to the 1997 Memorandum of Understanding that underpins Project Integra. However, beyond this the WCAs deliver their waste services in a multitude of different ways. Outside of the DMR Specification there is no consistency of collection service from one borough to the next. Appendix 1 shows the range of services and delivery mechanisms within Hampshire's collection services
- 6.6.2 There are two examples (Winchester City Council & East Hants District Council and Basingstoke & Deane Borough Council & Hart District Council) of joint collection contracts amongst the 11 collection authorities, but even within these there are differences in service provision i.e. Basingstoke & Deane Borough Council has weekly collection whilst Hart District Council operates fortnightly.
- 6.6.3 This inconsistency has a number of impacts, some of which are causing additional costs to be borne by the County Council as the Waste Disposal Authority but which also miss opportunities for performance improvements and possible income generation. The Waste & Resources Action Programme (WRAP) has been working on this issue at the behest of DEFRA to produce an evidence base to support Local Authorities in achieving greater consistency across their service areas⁷.

6.7 Contamination

- 6.7.1 Hampshire's contamination rate is set out in the Figs 6 & 7 below illustrating the fact that it has risen over time going from 7.55 to 11.44 percent over the last ten years. This rise in contamination has a significant financial impact on the waste disposal authorities: in 2016/17 it cost £1.2million to dispose of this material.
- 6.7.2 Contamination is a result of residents putting the wrong items in the recycling bin and whilst an amount of this is thought to be due to confusion over what can be recycled (e.g. different plastics), there is a growing amount of clearly non-recyclable material within DMR stream.

⁷ http://static.wrap.org.uk/consistency/The_benefits_to_Local_Authorities.pdf

Fig 6– Contamination or recyclable waste by district, 2015-16 to 2017-18⁸

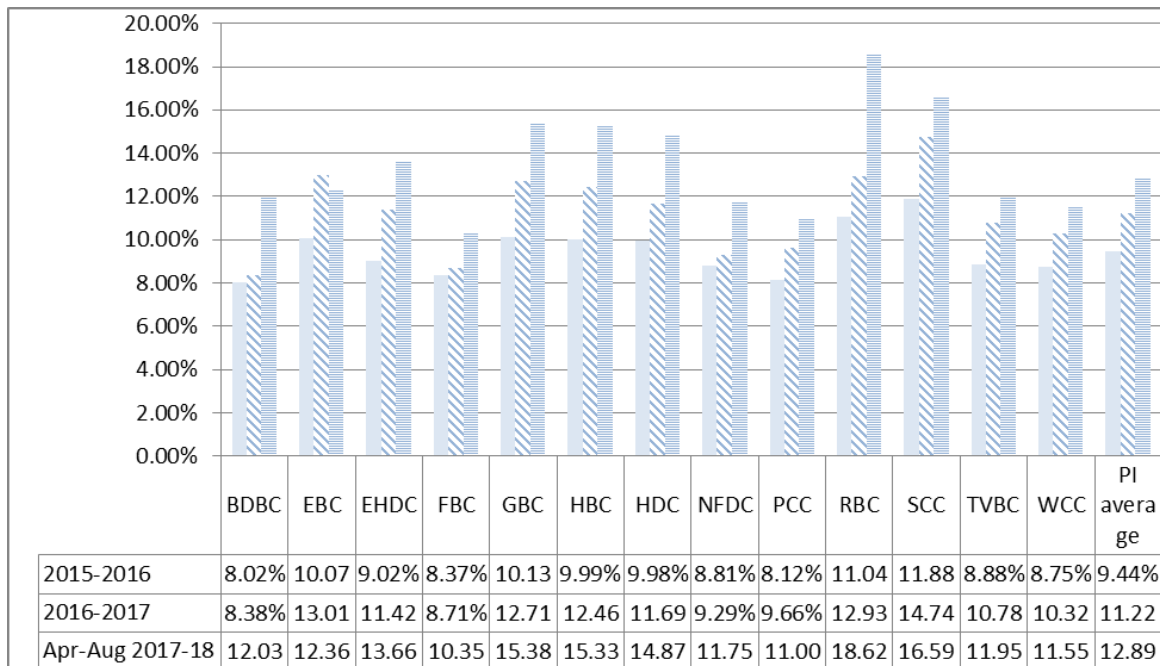
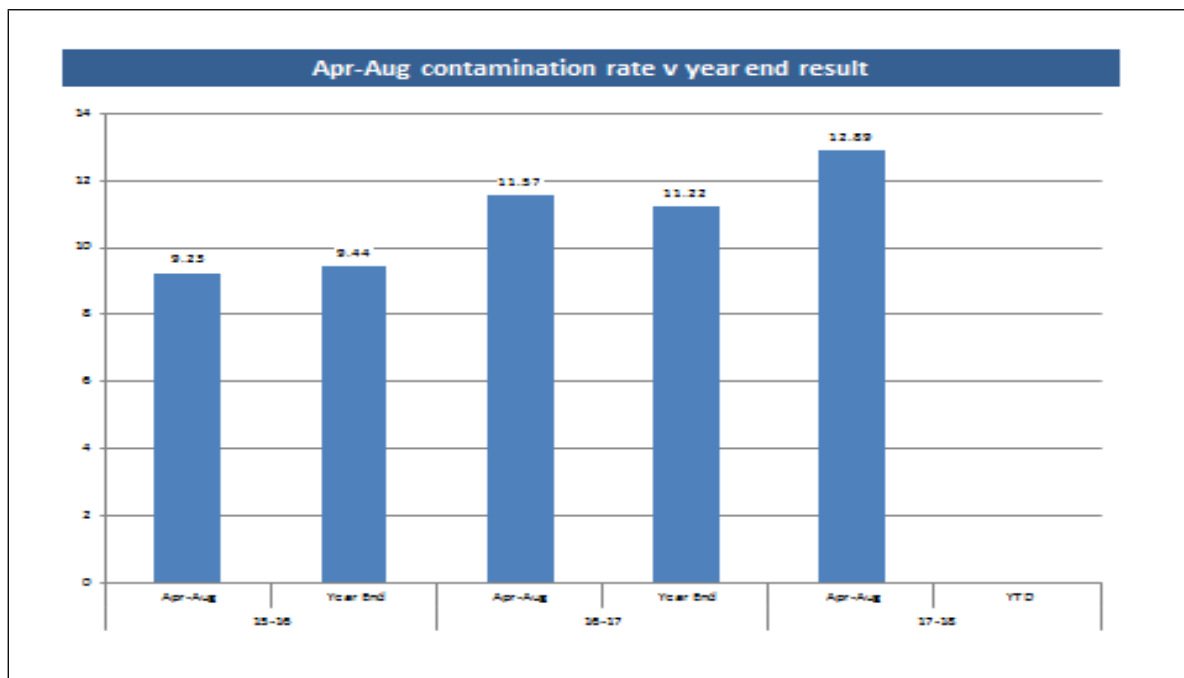


Fig 7 – Showing the contamination rate for April – August compared with the end of year outcome for 2015/16 to 2017/18



⁸ Note that the figures are based on MAF contamination sampling.

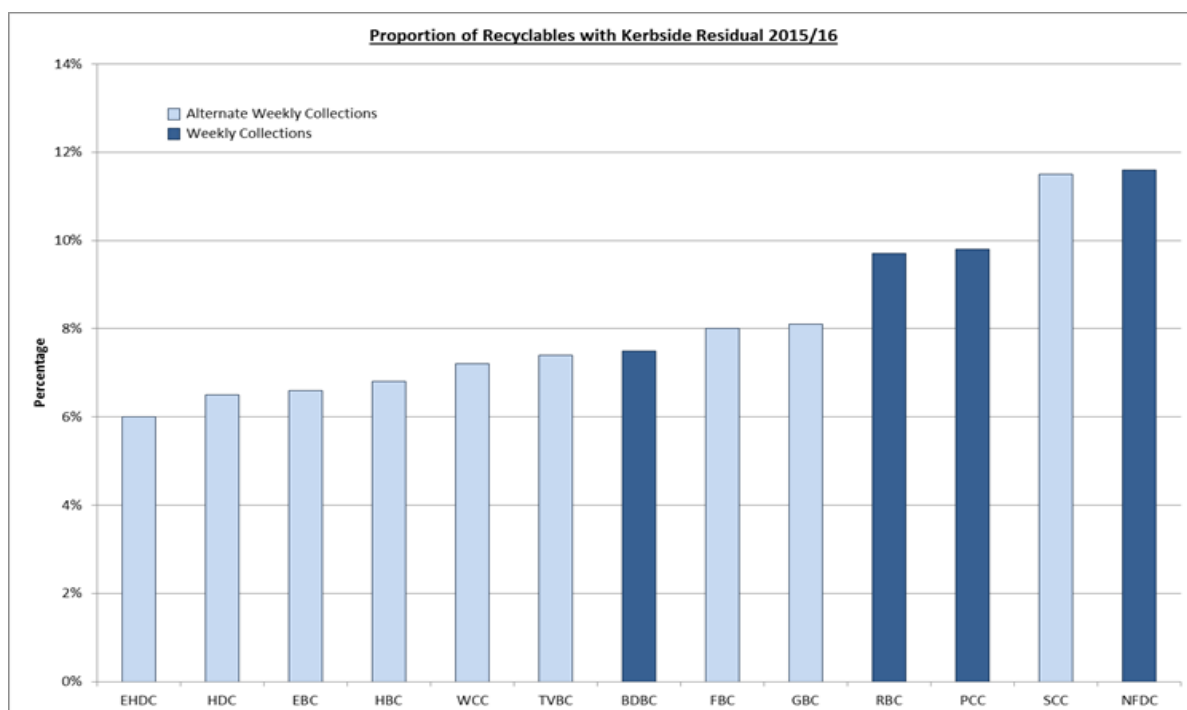
6.8 Alternate Weekly Collections/Weekly

6.8.1 The frequency of collection is known to affect the recycling performance of a district or borough. WRAP reports that “residual containment capacity” of which collection frequency is an element “was found to be significant in all datasets. More capacity is associated with lower recycling rates”⁹.

6.8.2 Fig 8 indicates that in Hampshire those authorities that operate on a weekly residential collection schedule tend to have higher quantities of targeted recyclable materials in their residual waste stream than those on Alternate Weekly Collections. It should be noted that Southampton City Council changed to an alternative weekly collection schedule in June 2017 and data is still being gathered on the impacts of this.

6.8.3 This loss of potentially recyclable material associated with collection methodology has financial implications for the Disposal Authority in terms of higher disposal costs and optimising capacity utilisation at both the ERFs and MRFs. There is also a loss of income for the Collection Authority, not to mention foregoing any cost reductions associated with operating a fortnightly service as opposed to a weekly service.

Fig 8 – Shows the percentage of residual waste which is targeted recyclable material and the collection frequency for 2015/16¹⁰



⁹ <http://www.wrap.org.uk/content/influencing-factors-local-authority-recycling-rates-identified>

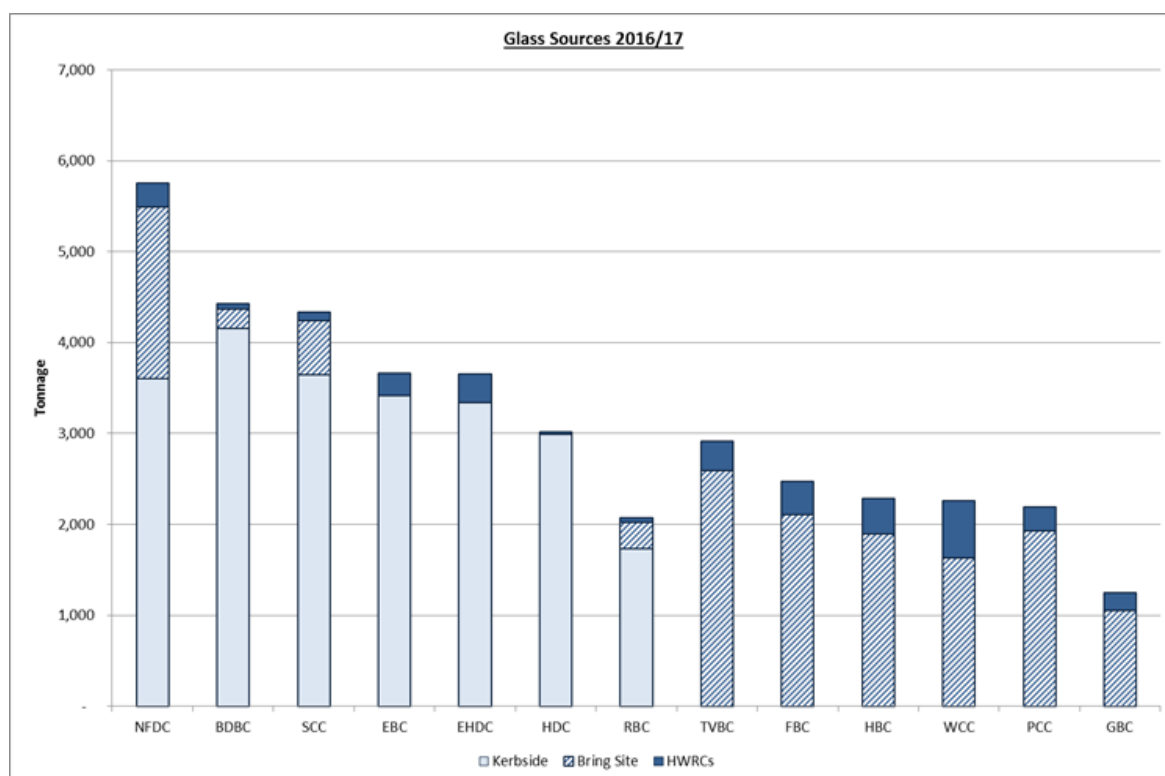
¹⁰ Note that the data was taken prior to Southampton City Councils switch to alternate weekly collections.

6.9 Kerbside Glass/Non Kerbside Glass

6.9.1 Glass is another material where there is variation in how it is collected, either via a kerbside collection service as provided by 7 PI Partners, or by “Bottle” Banks (provided by 5 PI Partners), with 4 providing both services. All the HWRCs also have bottle bank facilities but these are provided by the WDAs.

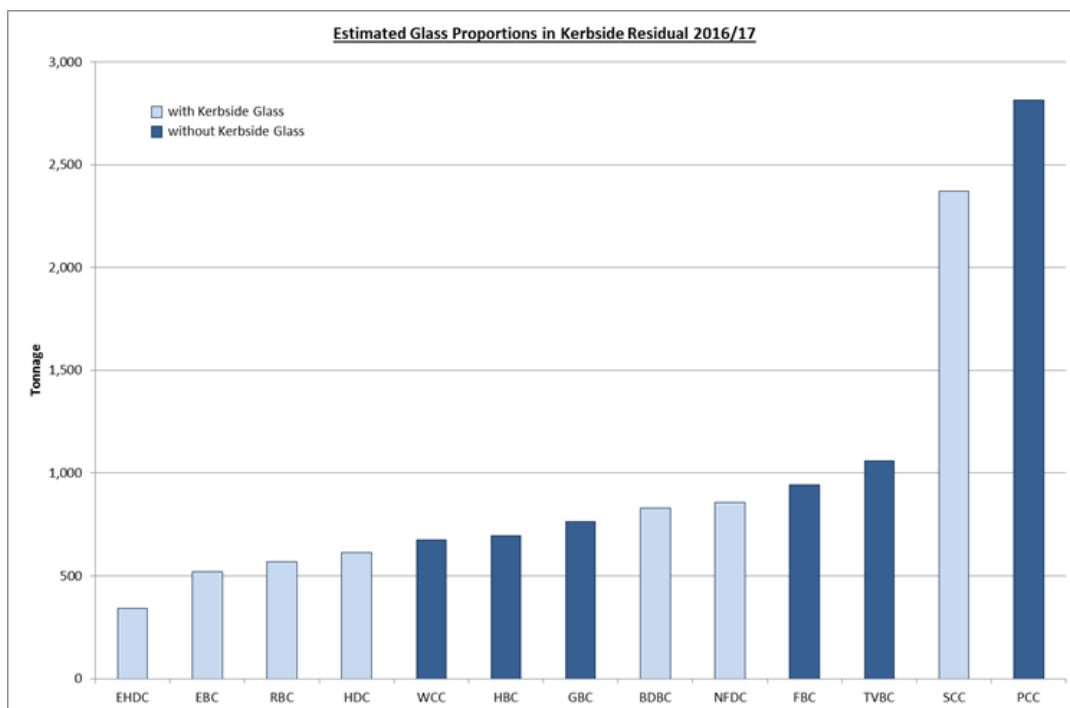
6.9.2 As can be seen in Fig 9, those districts offering a kerbside collection service generally have a significantly higher capture rate of glass than those only offering bottle banks. This in turn is reflected in the fact that those offering a kerbside collection service have on average a lower quantity of glass in their residual waste (see Fig 10).

Fig 9 Shows the amount of glass collected and the proportion of material by source for 2016-17



6.9.3 Glass remaining in the residual waste stream is sent for incineration. This tonnage (in excess of 10,000 tonnes per annum) takes up valuable capacity at the ERFs, as glass is unaffected by the thermal process and ends up in the incinerator bottom ash. It also misses out on a possible income from the sale of the recyclable cullet as well as the benefit in terms of recycling performance (%).

Fig 10 showing amount of Glass in remaining in residual waste by authority and whether or not they offer a kerbside collection service for 2016-17.



6.9.4 Project Integra is about to tender a new off-take contract for its collected glass and as part of the initial review of the service a county-wide collection contract was considered. However there was insufficient appetite amongst the partners to pursue this given their individual contractual or service delivery arrangements.

6.10 Bulky Waste Collections

6.10.1 Local Authorities' waste services are often considered the first point-of-call for residents who are looking to discard of their waste. District and Borough Authorities are allowed to charge for certain types of collection and includes the ability to charge for the collection of bulky household items. In general these items include white goods like fridges and cookers, and large furniture items such as 3 piece suites and wardrobes.

6.10.2 Unfortunately due to the nature of these services these items, which might initially have been reusable, end up as waste and once picked up as part of this service are destined for disposal by landfill. This is because the way in which the service is generally organised leads to residents placing items out for collection ahead of the collection date, subjecting them to damage by the weather. In addition the collection service itself is often a combined role with new bin deliveries, missed collections and other services. This means that space on vehicles is often limited and as a result items are stacked in such a way that does not preserve their condition.

6.10.3 Kerbside collected bulky waste, along with bulky residual from the HWRCs, makes up the majority of the material that currently goes to landfill and costs the disposal authority around £500,000 per annum. Some work has been done with the Waste Collection Authorities to try to embed a revised Call Centre Script that encourages residents to contact local charities in the first

instance. This is because if some of these items were collected and managed effectively it would offer the potential to increase their reuse and also support other corporate aspirations by providing a supply of furniture for those in need through charity partners.

6.10.4 However, there is a tension in a two tier authority area between the income generated as a result of the collection activity by the WCA against the disposal cost resulting to the WDA for having to dispose of items that could have been reusable if diverted to the second-hand market operated by charities.

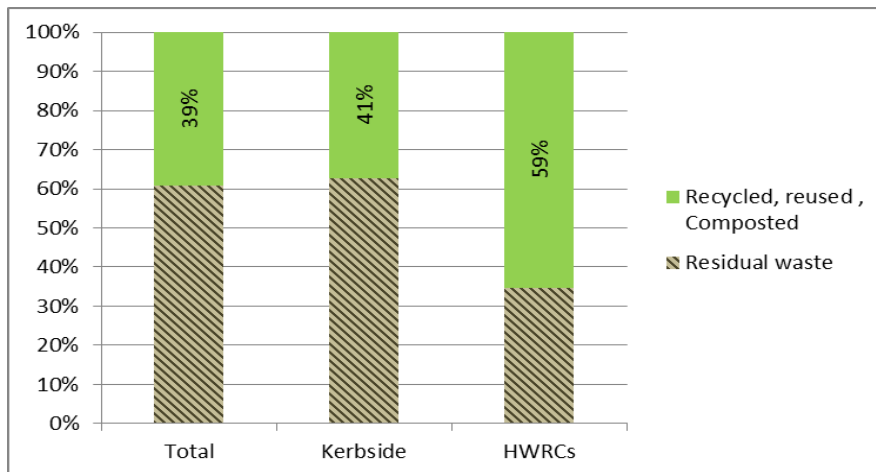
7. Household Waste Recycling Centres

7.1 The HWRC network is a much used and valued local service enabling residents to dispose of their bulky waste items free of charge in a convenient manner. The County Council provides a network of 24 sites, with Portsmouth and Southampton City Councils providing one each.

7.2 These facilities receive approximately 4 million visitors a year, and in 2015/16 handled 206,000 tonnes of waste of which 119,000 tonnes was recycled (57%).

7.3 The County Council's HWRC Service makes a significant contribution to the council's overall recycling rate of 39%. However, it does so from less than 30% of the total amount of waste, as shown in Figs 11& 12.

Fig 11 – Shows the contribution to the Council's total recycling performance by the two key elements of the waste services



7.4 As set out in the Transformation to 2019 Programme –Revenue Savings Proposal report¹¹ presented to September's Environment and Transport Executive Member Decision Day, a further £1.2 million of savings are required to be made from the HWRC Budget by April 2019. The current HWRC budget is approximately £10 million which is divided into management costs of just

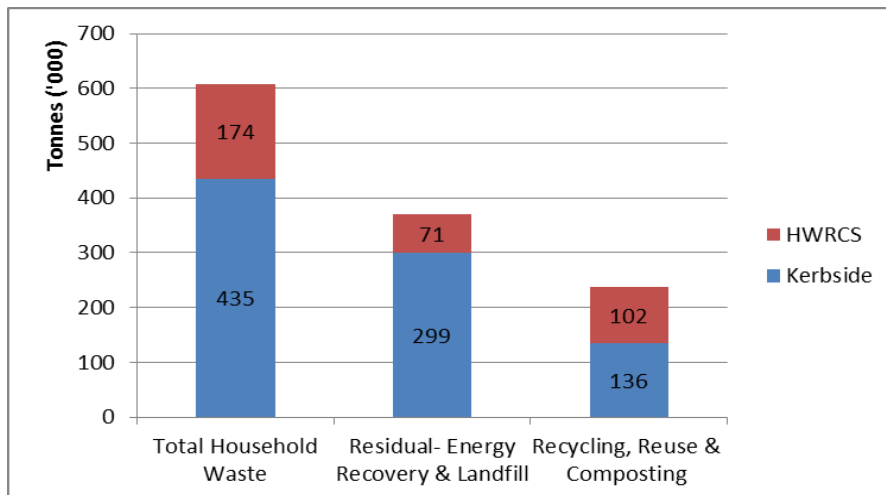
¹¹ http://democracy.hants.gov.uk/documents/s5800/Economic%20Development%20-%20T19%20Revenue%20Savings%20Proposals_HF000014734448.pdf

under £2 million (fees paid to the Contractor Veolia to manage the network of sites) and the waste disposal costs of just over £8 million.

7.5 Given that the need to achieve the necessary savings from previous Transformation programmes has led to the contract being re-tendered, opening hours reduced, and charges for non-household waste being introduced, there are limited options for further cost reduction. Options being explored include:

- Further opening hour reductions
- Day closures
- Expansion of the non-household waste charging scheme
- Full site closures
- Alternative operating models e.g. third sector involvement

Fig 12 - Shows the split in performance across the two key services areas in tonnage ('000) terms



7.6 There is also an opportunity, as part of the Joint Working described below (section 8.7) to review the relationship between collection services and the HWRC Services in order to maximise overall service effectiveness in terms of value for money and performance.

8. Strategic Direction

8.1 In summary, the identified issues and pressures are:

- The potential increase in the cost of waste disposal of up to £20 million per annum depending on delivery of expected housing growth and up to a 2% per annum increase in economically related waste growth
- Higher than average residual waste arisings, which is putting pressure on existing capacities before any future growth is factored in
- Low recycling performance

- High levels of contamination or non-targeted materials within the kerbside collected recyclables
- Inconsistent performance due to variable collection services across Hampshire leading to additional costs or loss of income across the partnership
- Anticipated waste growth due to increased housing numbers and other factors
- The need to make savings from stand alone budget functions e.g. the HWRC network

8.2 In response to these pressures this section sets out the proposed strategic actions that will be pursued in order to manage or mitigate them:

- A waste prevention programme
- Behavioural Insights work
- Develop a business case for new recycling infrastructure
- Investigate the need for additional disposal infrastructure
- Investigation of joint working opportunities

8.3 Waste Prevention Programme

8.3.1 Hampshire's waste prevention programme, Smart Living, began in 2015 as a measure to control increasing waste volumes and escalating disposal costs. The main objective of the programme is to educate and inspire Hampshire residents about small changes they could make to their lifestyle which will lead to much greater economic and sustainable benefits.

8.3.2 The proposed programme for 2017 – 2019¹² has been designed following a review of past and current waste disposal trends and costs, evidence of successful activities carried out by other Waste Disposal Authorities, waste prevention key performance indicators, and results from the waste prevention annual tracker surveys, as well as input from the waste prevention team.

8.3.3 There are a number of elements to the programme including:

- Development of an insights-driven waste prevention approach that can be sustained and scaled Hampshire-wide over the long-term. The project will use innovative, values-led audience insights to reach targeted audiences, aimed at encouraging behaviours that aid more efficient waste management.
- A comprehensive waste compositional analysis to get a detailed understanding of what makes up the current residual waste stream in Hampshire.
- A reuse development service, working with HCC Troubled Families team to enhance collaborative working between reuse organisations and social

¹² [2017-10-02 Waste Prevention ETE DMT Report - ITEM](#)

welfare providers to futureproof the provision of local welfare support through furniture.

- Developing a centralised booking service for bulky waste to increase the amount of this material diverted for reuse by making the service easier and more convenient for residents.
- Developing a strategic partnership with a national food waste retailer to produce food waste prevention messages and interventions to appear at relevant points throughout the online shopping delivery service process.

8.3.4 In addition to the activities outlined above it is proposed to trial a grant scheme that will pump-prime new, or expand existing, waste prevention products and services similar to those already identified on the Smartliving webpages¹³ with the intention of ensuring activities are sustained beyond the funding period.

8.3.5 A lack of upfront funding is the main barrier noted for preventing these organisations from turning concepts into reality and from reaching a wider Hampshire audience. Increasing the scope and accessibility of products and services to Hampshire residents will also raise awareness of preventing waste and provide social benefits.

8.3.6 It is intended to open the application process for the grant during the European Week for Waste Reduction (18th – 24th November 2017) so that applications can be assessed and a recommendation of projects to fund can be made in time to meet the ETE Executive Member decision day on 13th March 2018. Funding for projects can then be released as of 1st April 2018.

8.3.7 The aim of the Waste Prevention Programme is to increase awareness of waste issues and effect a reduction in overall waste arisings, thus contributing to the saving Targets of the Transformation to 2019 programme

8.4 Behavioural Insights

8.4.1 It has been identified that, whilst there has in the past been a significant amount of traditional communication with residents about waste and recycling, this has not had the desired impact in terms of performance within the kerbside recycling systems.

8.4.2 In order to attempt to change this investment has been made in a behavioural insights led approach to engage with and change the way in which residents behave in relation to waste and recycling.

8.4.3 The initial research phase of the project has been completed and the target audiences have been identified. Work is now ongoing on the creative concepts ahead of testing those in certain areas within Hampshire.

8.4.4 It is intended to launch a range of creative, innovative pilots later this year and then measure how they are working, tweak them based on feedback and new insights, and then scale up the solution and roll it out across the County.

8.4.5 The interventions will be constantly evaluated, monitored and optimised to ensure that it creates a sustained impact.

¹³ <https://www.hants.gov.uk/wasteandrecycling/smartliving/inthefhome/reusesites>

8.4.6 The aim of the project¹⁴ is to drive consistent, targeted and relevant communications across Hampshire and with Project Integra partners to:

- Increase levels of recycling / divert recyclables from residual waste stream.
- Reduce contamination within recycling
- Reduce waste in the first place
- Maximise opportunities to influence behaviour around changes to infrastructure, waste services and other transitions.

8.5 Single Material Recovery Facility Opportunity

8.5.1 The existing contract with Veolia was extended in 2015 to an end date of 30 December 2030. This has meant that one of the two existing MRFs at Alton becomes scheduled for a refit, included in the existing contract cost. This has presented an opportunity to review, and potentially change, the current system where any change to infrastructure can be at least partially off set against the existing contractual cost.

8.5.2 Options have been investigated at a high level with Veolia, the long term disposal contract partner. Whilst a number of options have been explored, the preferred option is the development of 1 single MRF in a central location, the benefits of which include:

- the maximisation of the economies of scale;
- the ability to design for an increased range of collected materials i.e. Pots, Tubs and Trays and cartons (PTTs) without the space restrictions of the existing MRFs;
- no need to close the existing Hampshire MRFs during the development phase, thereby avoiding loss of income from sale of recyclables and potentially higher gate fees at MRFs outside of Hampshire.

8.5.3 Modelling has been carried out on options for delivery and what their relative costs would be. Table 3 below summarises the outcomes of this. It is currently believed that, on the basis of the current modelling, the option to deliver a single MRF provides the best balance of benefit to the community and reduced expenditure in the long term.

8.5.4 The expectation is that in delivering the new MRF infrastructure it will be possible to increase the range of recyclable materials collected at the kerbside, thus meeting a known political and resident aspiration, whilst increasing Partners' recycling performance and reducing overall costs by moving materials up the Waste Hierarchy.

8.5.5 Therefore it is proposed to develop a full business case for a single MRF solution with the intention, subject to the outcomes of the business case, to seek further approvals for the necessary funding, land acquisition, and project appraisal to implement and deliver new MRF capacity.

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Table 3 – Summary of the cost and benefits of the MRF options

Option	Capital cost *	Transition cost	Revenue Cost	Recycling benefit
Refit Alton MRF	Included in existing contract	Potential loss of some of £6m p.a. income due to export of material during refit	No change. Cost rise due to poor performance and housing growth	None
Expand range at two existing MRFs	£10 Million	£7.25 Million p.a. in gate fees and loss of Income	£1 million p.a. in part to maintain quality of saleable materials	Yes
Expand range through single Alton MRF	£2-4 million	Loss of some of £6m p.a. income due to export of material during refit	Up to £1m in additional haulage transfer costs	Yes – but capacity for future growth is limited by size
Expand range through single central MRF	£10-25 million**	None	Depends upon location and design	Yes

* Veolia make a capital contribution in all scenarios equivalent to the refit of Alton MRF on a like for like basis.

**Range subject to site costs and site condition i.e. clear site or pre-existing building etc.

8.6 Additional Disposal infrastructure

8.6.1 As identified in Fig 5 the contract capacity at the ERFs is already being exceeded and whilst the Council does have call on the spare capacity, doing so exposes it to increased costs both in terms of higher variable fee payments and a loss of income.

8.6.2 In light of these pressures it is proposed that further work is undertaken to assess the options open to the Authority for increasing disposal capacity, be that additional ERF capacity or pre-processing for export to other facilities outside of Hampshire as a refuse Derived fuel (RDF) or a Solid Recovered Fuel (SRF).

8.6.3 This work will take into account the impacts of other strategic actions such as increased diversion of recyclables to the MRFs and the impacts of the waste prevention programme, as well as the need to source alternative solutions for material which is presently landfilled.

8.6.4 Subject to resource, availability work will also be undertaken to ensure that other disposal options for material streams, such as Air Pollution Control residues (also known as Fly Ash) and Incinerator Bottom Ash, are optimised, with proposals for invest to save projects proffered subject to a business case.

8.7 Opportunities for Joint Working

8.7.1 The current relationship between the partners in Project Integra is overseen by the Project Integra Strategic Board with an elected Chairperson and representation from all partners by the waste portfolio holding Cabinet Member.

- 8.7.2 The relationship is underpinned by a Memorandum of Understanding that was originally agreed in Feb 1997, which in summary agrees that each partner will work together, but that each authority with waste responsibilities, be it for collection or disposal, manages their own budget for their provided service, and are able to make changes to that service even if such changes might have a detrimental impact on other or all partners.
- 8.7.3 This has led to numerous missed opportunities to benefit from economies of scale, consistency, and simplification.
- 8.7.4 As an example, the County Council and the two unitary authorities of Portsmouth and Southampton, as Waste Disposal Authorities, finance the costs associated with the provision and operation of the entire waste infrastructure, including responsibility for the costs associated with operating of the two MRFs. This includes a fee payable on each tonne of inputs and the disposal costs of any non-targeted material, contamination, or any process losses.
- 8.7.5 The income from the sale of the recyclable materials is then shared 50:50 between Veolia and the three Waste Disposal Authorities, with the County Council passing over its entire share to the 11 WCAs, without any consequence associated with its initial quality.
- 8.7.6 Rising contamination levels, which have gone from 7.55 to 11.44 percent over the last 10 years, costing the waste disposal authorities £1.2 million in 2015/16, are difficult to change as there is no incentive for the collection authorities to improve.
- 8.7.7 The proposed expansion of the range of materials to a single MRF will require a review of the Memorandum of understanding, and an Officers Working Group has been examining a number of options to deliver greater benefit to the community at less cost to the partnership overall.
- 8.7.8 This has included reviewing what other similar partnerships of authorities who are ahead of Project Integra in terms of their performance have done, and these include pooled budgets, formal joint governance, and delegated decision making, through to full integration of responsibilities as a single waste authority.
- 8.7.9 It is proposed that the County Council continues to work with the Chief Executive Group of the Hampshire and Isle of Wight Local Government Association (HIOWLGA), as has been the practice to date with respect to developing the MRF proposals set out in section 8.5, identifying and quantifying the options for the future structure of Household Waste Services in Hampshire, and learning from other authorities in order to improve services to the community at lowest overall cost.

9. Recommendations

- 9.1 That the overall strategic direction for waste management in Hampshire as set out in this report be approved and adopted.
- 9.2 That approval be given to produce a full business case for development of a single Material Recovery Facility (MRF) option including:

- A proposal for capital funding for land acquisition and full development;
- A full project appraisal to be considered by the Executive Member for Environment and Transport; and
- A land acquisition report to be considered by the Executive Member for Policy and Resources.

9.3 That approval be given to set up a grant fund of £65,000 to support local enterprise (charitable or otherwise) in establishing initiatives for the reuse of bulky household items.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	yes/no
People in Hampshire live safe, healthy and independent lives:	yes/no
People in Hampshire enjoy a rich and diverse environment:	yes/no
People in Hampshire enjoy being part of strong, inclusive communities:	yes/no

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> None	<u>Date</u>
Direct links to specific legislation or Government Directives	
<u>Title</u> Waste Framework Directive	<u>Date</u>

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equality Duty

- 1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
 - Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2 Equalities Impact Assessment:

The change itself will have a neutral impact on all groups as the actual decision to progress with the business case will not itself result in a change for service users. If the outcome of the business case is positive then this will allow more materials to be recycled by all users.

2. Impact on Crime and Disorder:

- 2.1 Provision of a new MRF to process a wider range of materials from the kerbside collection service will not have any impact on crime and disorder.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

The ability to collect a wider range of materials at the kerbside would have a positive impact on carbon footprint by reducing the amount of material that is disposed of as residual waste, and enabling more material to be recycled. This in turn should reduce the need for use of virgin materials to produce the products we use.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Taking steps to increase the amount of recycling and reduced residual waste helps to reduce the need to rely on virgin materials for products.

	Residual waste frequency		Dry Recycling Frequency		Glass Collection			Food Waste Collected?	Garden waste	
	Weekly	Fortnightly	Weekly	Fortnightly	Fortnightly	Monthly	None		Free	Chargeable
Basingstoke and Deane Borough Council	✓			✓	✓					✓
East Hampshire District Council		✓		✓		✓				✓
Eastleigh Borough Council		✓		✓		✓		✓		✓
Fareham Borough Council		✓		✓			✓		✓	
Gosport Borough Council		✓		✓			✓			✓
Hart District Council		✓		✓	✓					✓
Havant Borough Council		✓		✓			✓			✓
New Forest District Council	✓		✓			✓				✓
Portsmouth City Council	✓			✓			✓			✓
Rushmoor Borough Council	✓			✓	✓					✓
Southampton City Council		✓		✓	✓					✓
Test Valley Borough Council		✓		✓			✓			✓
Winchester City Council		✓		✓			✓		✓	

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HAMPSHIRE COUNTY COUNCIL

Report

Committee:	Economy, Transport and Environment Select Committee
Date:	14 November 2017
Title:	Air Pollution and Air Quality
Report From:	Director of Economy, Transport and Environment

Contact name: Graham Wright

Tel: 01962 845148

Email: graham.wright@hants.gov.uk

1. Purpose of Report

- 1.1 The purpose of this report is to update the Select Committee on the Government's recently published National Air Quality Plan, its implications for Hampshire and the measures and proposed working arrangements being established to enable the County Council to work effectively with those Hampshire borough councils, particularly where Clean Air Zones (CAZ) have been designated.
- 1.2 This report also provides information on the wider context for tackling air quality issues through the land use planning system.

2. National context

- 2.1 Air quality in the UK has significantly improved over recent decades. Since 1970 sulphur dioxide emissions have decreased by 95%, particulate matter by 73%, and nitrogen oxides by 69%. Total UK emissions of nitrogen oxides fell by a further 19% between 2010 and 2015.
- 2.2 However, air pollution remains a serious public health issue. Evidence collated by Defra, Public Health England and the Local Government Association shows that short-term exposure to high levels of air pollution can cause a range of adverse health effects from exacerbation of asthma to increased hospital admissions and mortality. Defra has estimated that nitrogen dioxide contributes to shortening lives by an average of 5 months. The overall population burden is estimated to be equivalent to nearly 23,500 deaths in the UK per year.
- 2.3 The Government regard further improving air quality, and particularly reducing pollution from nitrogen oxide to be an urgent priority. This follows on from the government announcement in 2011 that conventional car and van sales in the UK would end by 2040, and for almost every car and van on the road to be a zero emission vehicle by 2050.
- 2.4 Earlier this summer, the Government published a ['UK Plan for Tackling Roadside Nitrogen Dioxide Concentrations'](#) (July 2017), setting out its ambitions for a better environment and cleaner air and the steps needed to

deliver cleaner air in the shortest possible time, including requiring relevant local authorities to put in place Clean Air Plans by March 2018.

- 2.5 The Plan has been jointly published by the Department for Environment, Food and Rural Affairs (DEFRA) and the Department for Transport (DfT). Its implementation will be led by a Joint Air Quality Unit (JAQU) which has been charged to work with local authorities where Clean Air Zones (CAZ) have been designated.
- 2.6 The primary aim of the Plan is to achieve compliance with EU legislation. This requires nitrogen dioxide concentration to be reduced to no more than an annual mean of 40 micrograms per cubic metre in the shortest possible time but in any event by 2020. It is important to note that in two-tier authority areas, the Government has placed the duty for legal compliance upon the local authorities with responsibility for environmental health ie district or borough councils.
- 2.7 In responding to the consultation on the Plan the County Council was able to highlight the positive interventions it has made to address air quality issues in recent years. However, it also stressed that the ability of the County Council to respond to national policy on air quality at the local level is directly linked to available funding, both in terms of capital allocations through the Local Transport Plan and in terms of revenue, for example to support local bus services. Whilst local interventions are proving to have some impact, this is in the face of rising traffic levels with the County Council struggling to hold the line given its much reduced resources and the competing transport pressures. Further action at national level is required to bring about significant change.

3. Implications for Hampshire

- 3.1 The original National Air Quality Plan, published in 2015, designated five cities as Clean Air Zones where nitrogen dioxide concentrations needed to be tackled. Members may be aware that this included Southampton where the City Council has been developing plans for the introduction of a charging zone covering certain areas of the city.
- 3.2 The latest Plan goes further in designating additional local authorities where nitrogen dioxide exceedances of above 40 milligrams per cubic metre have been identified and which require additional action to achieve legal compliance by 2020. For Hampshire, this includes areas within the boroughs of Fareham, Rushmoor and the New Forest.
- 3.3 In Fareham the roads concerned are the A27 (between Delme Roundabout and Station Roundabout) and the A32 from Quay Street junction to Newgate Lane junction. The road identified in Rushmoor is the A331 and Blackwater Valley Road between the junctions with A31 and M3. The A331 crosses the boundary into Surrey and therefore this is a joint designation with Surrey Heath and Guildford Borough local authorities. The road affected in the New Forest is the A35 at Redbridge and is effectively a result of a minor extension of the Southampton CAZ into the New Forest District Council administrative area. It is worth noting at this stage, primarily due the nature of the roads concerned (bypasses), it is unlikely that a 'charged' CAZ would be a feasible or sensible option.
- 3.4 In order to demonstrate compliance within the 'shortest possible time', the Government has set a challenging timetable for the local authorities to develop

and submit their proposals. Within two-tier authority areas, this will require joint working with the local highway authority, in order to collect evidence, develop well thought out proposals and bid to JAQU for available funding. For the A331, this is further complicated by the road falling within three boroughs and two county council jurisdictions.

- 3.5 In terms of resources, JAQU has designated project officers to support the work of the local authorities and are publishing guidance to support evidence gathering, the preparation of feasibility studies and submission of full CAZ proposals.
- 3.6 The Government has identified a range of funding totalling £2.7 billion to be made available to address air quality issues. In addition £255m has been made available to support local authorities in implementing targeted action to improve air quality. Hampshire County Council will work closely with the relevant borough councils and, where appropriate, with Surrey County Council to ensure that delivery plans are developed that are both realistic and achievable within the timescale set and make best use of available funding opportunities.
- 3.7 Hampshire County Council has recently been successful in securing £6.93m funding from the Government's National Productivity Investment Fund towards the construction of the [next phase of the Eclipse bus rapid transit](#) which would run from Tichborne Way to Rowner Road. This scheme will help to address air quality concerns in the Fareham area by enhancing bus travel as an alternative to car travel on and off the Gosport peninsular, particularly via the A32 which is identified as an air quality concern.
- 3.8 As set out in the recent report to the Executive Member for Environment and Transport ([19th September 2017](#)) the County Council is developing a range of transport strategies which cover most of the main urban areas and will collectively help improve air quality in Hampshire. Examples include the Winchester Movement Strategy, which is currently being developed by the County Council, in conjunction with Winchester City Council, has a specific Air Quality Management Area (AQMA) for Winchester city centre, and the Botley Bypass which will deliver capacity and air quality improvements. Through such means, the County Council is able to prioritise transport intervention packages across the county in a way that supports district and borough council duties to improve air.

4. Wider Air Quality Issues

- 4.1 On 12 October 2017 the Government published its [Clean Growth Strategy](#) which sets out proposals for de-carbonising all sectors of the UK economy through the 2020s. The basic premise being that economic growth can be sustained through exploiting the benefits of developing a low carbon economy, whilst also meeting national and international commitments to tackle climate change.
- 4.2 Hampshire County Council is committed to helping deliver clean air as a basic need for its residents, workforce and visitors.
- 4.3 Increasingly local planning authorities need to consider the impact of traffic on air quality for existing and new communities. This should be an integral part of an assessment in the development of local plans and also in consultation responses by Hampshire County Council as the local highway authority.

5. Conclusions

- 5.1 Hampshire County Council takes the issue of air quality seriously in discharging its duties as both the local highway authority and as public health authority and this is integrated into its planning and decision making processes.
- 5.2 The recent Government strategy and funding announcements provide an opportunity to address serious air quality issues for local residents and the travelling public in specific locations. However it also presents a challenge in terms of having adequate resources locally to ensure these potential benefits can be fully realised.
- 5.3 County Council Officers are currently working with relevant borough officers to develop initial joint working arrangements for activities where Clean Air Zones have been designated. As these arrangements advance appropriate political representation will be sought to secure agreement on both the principles and implementation plans.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	no
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	yes
People in Hampshire enjoy being part of strong, inclusive communities:	no

Other Significant Links

Links to previous Member decisions:	
<u>Title</u> Hampshire Strategic Transport Priorities	<u>Date</u> 9/09/17
Direct links to specific legislation or Government Directives	
<u>UK Plan for Tackling Roadside Nitrogen Dioxide</u>	<u>July 2017</u>

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

Impact assessments are undertaken in advance of any formal executive decision. Information about those impact assessments, including equalities and impact on crime and disorder and on climate change, will be set out in the appendices to the relevant decision making reports. This report is an update to the Select Committee and is not proposing any change or decision, therefore impact assessments have not been undertaken.

2. Impact on Crime and Disorder:

2.1. Impact assessments are undertaken in advance of any formal executive decision. Information about those impact assessments, including equalities and impact on crime and disorder and on climate change, will be set out in the appendices to the relevant decision making reports. This report is an update to the Select Committee and is not proposing any change or decision, therefore impact assessments have not been undertaken.

3. Impact on Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Impact assessments are undertaken in advance of any formal executive decision. Information about those impact assessments, including equalities and impact on crime and disorder and on climate change, will be set out in the appendices to the relevant decision making reports. This report is an update to the Select Committee and is not proposing any change or decision, therefore impact assessments have not been undertaken.

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E7/pf/177

15 June 2017

The Rt Hon Michael Gove MP
Secretary of State for Environment,
Food and Rural Affairs
Secretary.state@defra.gsi.gov.uk

Councillor Roy Perry

Leader of Hampshire County Council
Council

The Castle, Winchester

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Dear Secretary of State

Response of Hampshire County Council to the consultation on the revised draft air quality plan for tackling air pollution from nitrogen dioxide (NO₂)

The County Council welcomes the opportunity to comment on the Government's consultation, "Tackling nitrogen dioxide in our towns and cities", as we recognise the widespread health impacts for local communities.

Hampshire County Council is the Highway and Public Health Authority for Hampshire and works in close collaboration with District Councils and other stakeholders. Together we engage in significant activity with the aim of reducing nitrogen dioxide levels across the County. Such activity takes the form of raising awareness with work we do in schools to capital investment in schemes such as park and ride sites designed to address air quality issues. The ability of the County Council to respond to national policy on air quality at a local level is directly linked to the available funding, both in terms of capital allocations through the Local Transport Plan and in terms of revenue, for example to support local bus services.

Whilst local interventions are proving to have some impact, this is in the face of rising traffic levels meaning we are just about holding the line using the resources and powers available to us. Publication of a national plan is needed in order to bring about further change.

I hope our comments are of interest to you.

Yours sincerely,

Councillor Roy Perry
Leader of the Council
Hampshire County Council

Response of Hampshire County Council to the consultation on the revised draft air quality plan for tackling air pollution from nitrogen dioxide (NO₂)

This response is intended for submission using the Citizen Space consultation system, as requested in the Consultation:

<https://consult.defra.gov.uk/airquality/air-quality-plan-for-tackling-nitrogen-dioxide>

1. How satisfied are you that the proposed measures set out in this consultation will address the problem of nitrogen dioxide as quickly as possible?

General

The recalibration of the national air quality model following the 'real world' testing of diesel engines has resulted in the inclusion of three areas in Hampshire being designated as Clean Air Zone (CAZ). We understand these need to achieve compliance by 2020.

As the recalibration has happened fairly recently we have had little engagement with DEFRA to discuss what measures could and should be implemented. All three zones in Hampshire exhibit very different problems and challenges and suggest that a standard menu of tools is not necessarily applicable. For example one of the areas designated is the A331 in Farnborough/Surrey. This is a bypass intended to take traffic away from residential areas. In such circumstances it is difficult to see how the measures proposed in the consultation could help. The answer to the problem would appear to lie in less use of diesel vehicles generally. This is something more easily influenced through the national application of financial incentives or levy's.

Paragraph 63 states, "The Government will require Local Authorities to implement measures that will achieve statutory limits in the shortest possible time". By concentrating on the short term legal obligations to address exceedances predicted by the national model, the focus has fallen on implementing short term measures on specific roads in specific local authority areas. An exercise that simply focusses on addressing the legal requirement in this way is unlikely to significantly improve the health outcomes for most people in Hampshire. A longer term approach would in our view have better health outcomes.

It is now too late to implement **new** capital schemes to address the CAZ designations as there is insufficient time to undertake feasibility and design work leading to delivery in time. Where we can we will promote revenue activities such as awareness raising and behaviour change. Unfortunately some of our recent bids to the Department for Transport Access Fund were unsuccessful, notably a joint bid from Surrey and Hampshire focusing around the area to be designated as a CAZ on the A331. We would welcome new funding opportunities that would allow us to re-submit such bids but even now those opportunities will need to come forward quickly in order to allow us to put in place plans to reach compliance. This point also illustrates a need for greater collaboration between Government Departments in coordinating investment strategies and plans.

The report needs to reflect modelled analysis of the potential impact of scrappage and retrofitting interventions on NO₂ exceedances in order to be evidence based and proven to offer value for money

Clean Air Zones (CAZ) and charging

The consultation proposes CAZ as the quickest means to achieving compliance and considered that in some cases the use of charging of diesel vehicles may be needed. Where charging is deemed necessary we do not believe this will be quick to implement.

Significant technical work will be needed to evaluate the impact. Quick decisions about charging could have significant adverse implications of the local economy, unintended consequences of diverting traffic and increasing the costs of public transport such as taxis and buses. The latter has seen operating costs and real terms price increases rise more than any other form of transport.

Whilst the designation of Clean Air Zones will focus attention on local areas of concern the problem is generated by the use of diesel vehicles originating from wider areas. As such it might be quicker and certainly more effective to implement national fiscal stimulus impacting on diesel vehicle ownership rather than developing local charging schemes.

Retrofitting

Retrofitting required retrofitting industry capacity to deliver the changes to eligible vehicles quickly. Retrofitting public sector (Local Authority) vehicles requires significant Government funding in order to have immediate impact and there remains an assumption these vehicle are not already compliant with limits. Public sector fleets are a small proportion of vehicles on the road in affected areas so the impact here would be minimal. Local Authorities commission a number of services from private contractors. These contracts would need to be reviewed or retendered in order to add vehicle retrofitting clauses and this could take many years.

Any eligible vehicle retrofitting offer by Government would need to be offered universally to owners of eligible vehicles, administered centrally and be sufficient that diesel vehicle drivers are genuinely incentivised to retrofit their vehicle, that is 100% of the cost is covered by Government.

Scrappage

Any incentive scheme to 'scrap' an eligible vehicle would need to be offered universally to owners of eligible vehicles, administered centrally and be sufficient that relevant diesel vehicle drivers are genuinely incentivised to scrap their vehicle. ULEV's

A scheme to encourage drivers to replace their existing high emission vehicle to ULEV's would need to be offered universally to owners of eligible vehicles, administered centrally and be sufficient such motorists are genuinely incentivised to consider the benefits of a ULEV. This should run in tandem with the Governments proposed ongoing promotion of ULEV's.

Background levels

The schemes referred to above should be universally offered in order to afford opportunity to reduce emissions in background levels and in affected areas. To offer the schemes referred to above only to eligible vehicle drivers resident in affected areas would miss commuting vehicles that contribute to the pollution of affected areas.

Equally, the proposals do not consider the implications for those Local Authorities with an emerging (but not current or imminently forecast) exceedance of the

nitrogen dioxide limits. It would be appropriate to prevent nitrogen dioxide levels rising to exceed limits and affect populations rather than wait for levels to be in excess before seeking to apply remedial and mitigation measures. The proposals do not indicate the Government support available to Local Authorities in pursuing proactive preventative measures.

Traffic Calming

Further evidence should be provided on the removal of road features (such as speed bumps) in order to reduce emissions from vehicle idling, stop/start movement and congestion as without an evidential basis such measures may either not be viable or publically supported or have subsequent impact, for example on road safety.

2. What do you consider to be the most appropriate way for local authorities in England to determine the arrangements for a Clean Air Zone, and the measures that should apply within it? What factors should local authorities consider when assessing impacts on businesses?

See above comments above on CAZ and charging.

In considering the design of CAZs additional issues to consider are:

1. Impact on business and productivity including an understanding of the impact on operating costs for public transport and logistics which typically use the most polluting vehicles but which as an industries have very low margins and may not be able to bear higher operating costs
2. Impact on mobility
3. Impact on equalities for which we would anticipate a need to consider the socially excluded, families and mobility impaired all of whom may be disproportionately disadvantaged by charging
4. CAZ charges, eligibility criteria and charges for parking permits in CAZ's will also have a likely impact those on low incomes and so could widen inequalities
5. Impact on health and the health economy
6. Alternative measures and options may need to have been tested to avoid legal challenge.
- 7.

Measuring the business impact will require a common approach to scheme appraisal across all CAZ to be identified. It may be that the DfT's webtag appraisal tool can be utilised for this.

3. How can Government best target any funding to support local communities to cut air pollution? What options should the Government consider further, and what criteria should it use to assess them?

Schemes described in the consultation (retrofitting, scrappage etc) need to be offered universally to owners of eligible vehicles, administered centrally and be sufficient such motorists are genuinely incentivised to consider these alternatives.

Criteria for funding should have regard to:

- Evidence base,
- Feasibility,
- Speed of diffusion/implementation,
- Acceptability,
- Sustainability,
- Low level of adverse effects/uncertainties,
- Equity: for example, addresses vulnerable populations, not widening inequalities,
- Cost effectiveness set against 'opportunity costs'
- Need to become, eventually, self-funded
- Linkage to other allied strategies and policies

Schemes should be presented as part of a hierarchy of interventions; while priority may be given to programmes that achieve a quick impact in acutely affected areas (with highest nitrogen dioxide levels) there should be regard to how a combination of interventions will be applied as part of a cross-boundary multi-agency approach to finding permanent remedy.

Are there other measures which could be implemented at a local level, represent value for money, and that could have a direct and rapid impact on air quality? Examples could include targeted investment in local infrastructure projects.

The main measures likely to have a quick impact are those targeted at diesel vehicle usage. They would need to make the comparative costs (fiscal or otherwise) of using or owning a diesel vehicle higher compared to using other models of transport or other fuels for powered vehicles.

Those that also represent value for money or are affordable include:

- Eligibility criteria for parking permits
- Fiscal penalties applied to applications for parking permits and tariffs for diesel vehicles

It should be noted however that these are not generally very popular particularly when implemented quickly and without transition or phasing.

Examples of programmes of work to which funding could be targeted if made available include:

- Evidence based public awareness campaigns to change local drivers behaviour in targeted communities
- Targeted subsidy of travel on public transport for journeys taken through acutely affected areas (assuming

- Promoting (including providing the logistical infrastructure for) community lead car-share schemes, employer car-share and car-pool schemes
- Improving connectivity between employment hubs and residential areas
- Programmes of work that promote physical activity and active transport such as further promoting existing and establishing new safe cycle-ways, bicycle parking and greater Government investment in loan/grant schemes to purchase bicycles
- Increasing availability of and access to electric vehicle charging stations
- Establishing out of town parking locations supported by bus routes – this does not necessarily mean large scale ‘park & ride’ operations which require infrastructure changes, resident and business support

This assumes that affected locations have not already been subject to combination of these interventions. This assumes funding is provided by Government for these programmes. This is not an exhaustive list.

However, there is recognition of the need for consistent and co-ordinated planning direction. This should be supported by ‘Local Plans’, local ‘Supplementary Planning Documents’, ‘Public Health Position Statements (etc) and informed by Public Health intelligence etc) in Local Authorities, supported by internal departments, applied across boundaries, and understood by Statutory Consultees. While a matter of local impact so that Government funding could be directed to some elements of this, changes in planning direction would need to be driven nationally by Government. This is particularly relevant to transport infrastructure and new housing developments, employment hubs and neighbourhood regeneration programmes.

How can Government best target any funding to mitigate the impact of certain measures to improve air quality, on local businesses, residents and those travelling into towns and cities to work? Examples could include targeted scrappage schemes, for both cars and vans, as well as support for retrofitting initiatives. How could mitigation schemes be designed in order to maximise value for money, target support where it is most needed, reduce complexity and minimise scope for fraud?

Retrofitting

Retrofitting required retrofitting industry capacity to deliver the changes to eligible vehicles quickly. Any eligible vehicle retrofitting offer by Government would need to be offered universally to owners of eligible vehicles, administered centrally and be sufficient that diesel vehicle drivers are genuinely incentivised to retrofit their vehicle, that is 100% of the cost is covered by Government.

Scrappage

Any incentive scheme to ‘scrap’ an eligible vehicle would need to be offered universally to owners of eligible vehicles, administered centrally and be sufficient that relevant diesel vehicle drivers are genuinely incentivised to scrap their vehicle. ULEV’s

A scheme to encourage drivers to replace their existing high emission vehicle to ULEV’s would need to be offered universally to owners of eligible vehicles, administered centrally and be sufficient such motorists are genuinely incentivised to consider the benefits of a ULEV. This should run in tandem with the Governments proposed ongoing promotion of ULEV’s.

4. How best can governments work with local communities to monitor local interventions and evaluate their impact?

Impact will ultimately be measured in a sustained reduction in emissions below the specified limits. Evaluation of interventions will be unique to each intervention type, for example: a self-reported change in behaviour, decrease in number of car journeys, increase in demand for schemes/alternative vehicles)

Air quality monitoring is essentially a revenue based activity for local authorities. Additional monitoring arising from the National Air Quality Plan and formation of CAZ's will place a further burden upon the local authorities affected. As such, Government must support this activity through direct funding associated with the declaration of each zone.

5. Which vehicles should be prioritised for government-funded retrofit schemes? We currently anticipate that this funding could support modifications to buses, coaches, HGVs, vans and black cabs.

Hampshire County Council has had a very fruitful relationship with local bus operators through direct and indirect partnerships that has already helped to make very significant improvements to the quality of the bus fleet operated in Hampshire, through both retrofitting and vehicle replacement. As such, measures to support a similar approach for taxis and delivery lorries could have the potential to reduce the level of emissions from these classes of vehicles.

Ideally, in addition to the vehicles the Government already anticipates reserving funding for the scheme should allow for retrofitting eligible cars, including privately owned cars (charging CAZ class D). Cars remain the greatest in number of road vehicles with eligible diesel cars forming a proportion of those. It is the combination of Governments anticipated eligible vehicles and certain eligible diesel cars that will bring both the quickest and long term reduction in nitrogen dioxide levels. Eligible vehicles should be those which need to match the consistent CAZ minimum emission standard for their vehicle type, prioritising those with greatest nitrogen dioxide emissions first.

6. What type of environmental and other information should be made available to help consumers choose which cars to buy?

Hampshire County Council would suggest a simple Environmental and Health Impact information rating similar to ratings used by manufactures of household white goods. This would display the health impact or emission level, set against a scale, of certain vehicle emissions, including nitrogen dioxide. This scale could be displayed as an infographic adjacent to the CAZ non/exempt symbol (see below). This could be supported by economic incentives through enduring tax breaks for low polluting vehicles.

Assuming that all Clean Air Zones (CAZ) will apply the same thresholds, then a clear symbol that indicates the potential vehicle purchase is CAZ exempt should be clearly displayed in marketing information. Supplementary explanation of the CAZ schemes, their penalty & any 'savings', the number of CAZ's in operation, and a web-link to a CAZ directory/listing should provide further information so that consumers can

determine how likely they are to encounter a CAZ in order to inform their buying choice.

7. How could the Government further support innovative technological solutions and localised measures to improve air quality?

It would be for central Government, its departments, the motor manufacturing industry, emission management technology manufacturers and research partners to identify innovative technological solutions to improving air quality. Through Government funding the subsequently identified effective technologies can be produced, made affordable and made accessible to the relevant markets and promoted for application locally.

Innovative national measures, such as incentives, could include tax benefits, rebates, and interest free loans for consumers or workforces. Innovation credit and innovation grants may serve to facilitate research into new and emerging technological solutions.

The emphasis here is on a Government led & funded programme of innovation generation, the outcomes of which can then be made available for application where individual local circumstances permit.

Hampshire County Council would support the evidence based use of innovative technologies through the use of real time smart phone apps or street displays to inform road users of the air quality in specific areas. This may support behaviour change initiatives, where the informed motorist may change their driving routes accordingly. This would require sufficient revenue resources to meet the ongoing costs of such measures.

8. Do you have any other comments on the draft UK Air Quality Plan for tackling nitrogen dioxide?

The County Council welcomes the opportunity to comment on the Government's consultation, "Tackling nitrogen dioxide in our towns and cities", as we recognise the widespread health impacts for local communities.

Hampshire County Council is the Highway and Public Health Authority for Hampshire and works in close collaboration with District Councils and other stakeholders. Together we engage in significant activity with the aim of reducing nitrogen dioxide levels across the County. Such activity takes the form of raising awareness with work we do in schools to capital investment in schemes like park and rides designed to address such air quality issues. The ability of the County Council to respond to national policy on air quality at a local level is directly linked to the available funding, both in terms of capital allocations through the Local Transport Plan and in terms of revenue, for example to support local bus services.

Whilst local level interventions are proving to have some impact this is in the face of rising traffic levels meaning we are just about holding the line using the resources and powers available to us. Publication of a national plan is needed in order to bring about further change.

In addition to funding for air quality monitoring of newly declared zones, funding would be needed for robust wider evaluation of the impact/ effectiveness of new interventions.

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HAMPSHIRE COUNTY COUNCIL

Report

Committee:	Economy, Transport and Environment Select Committee
Date:	14 November 2017
Title:	Concessionary Fares Scheme Update
Report From:	Director of Economy, Transport and Environment

Contact name: Peter Shelley

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Email: peter.shelley@hants.gov.uk

1. Purpose of Report

- 1.1 To update the Select Committee as to how the change in policy from January 2017 to no longer automatically renew older persons passes that have not been used for 6 months is working and, based on a review of the data, what impact this change of policy has had.

2. Contextual Information

- 2.1 The English National Concessionary Travel Scheme (ENCTS) is a statutory scheme which allows free off-peak travel on local bus services for older people and for those with certain disabilities. The statutory scheme provides for free bus travel between 0930 and 2300 hours on weekdays and at any time during weekends.
- 2.2 Since April 2011, this has been administered by upper-tier authorities with the County Council administering the scheme in Hampshire. Following a public consultation and a detailed equalities impact assessment, the scheme approved by the County Council included several enhancements beyond the statutory requirements, namely all day travel for holders of a disabled person's pass; a companion pass for those unable to travel unaccompanied; half fare travel for pass holders on Dial-a-Ride and Call&Go services; and vouchers for those unable to use the bus for use on Dial-a-Ride and Call&Go voluntary car schemes and participating taxis.
- 2.3 Passes were initially issued annually, increasing to four years by 2004.
- 2.4 Passes are now issued every five years except where shorter period passes are appropriate on a case by case basis. Expiry dates are now spread throughout the year to avoid a peak of renewals in February and March, as was the case previously.
- 2.5 In 2011, when the County Council was given responsibility for the scheme, there were 194,000 passes on issue, of which 13,000 were classified as for disabled users. 56,000 residents chose alternative, discretionary, concessions such as tokens or railcards. The alternatives, other than tokens for those eligible for a disabled person's pass are no longer available.

- 2.6 As of July 2017, there were 256,857 passes on issue, of which 18,400 are classified for disabled users and 3,517 for disabled users plus companion. 3,855 residents chose the alternative of vouchers.
- 2.7 In the year to July 2017, 9,008 residents joined the scheme.
- 2.8 Since spring 2017, lost or stolen passes can now be renewed online to avoid the need to write or telephone the County Council.
- 2.9 Special schools, or mainstream schools with attached units, are requested to encourage their pupils to apply for a disabled person's pass to promote independent living and travel. A programme to remind schools of this is run each autumn.

3. Direction of Travel

- 3.1 Concessionary travel is budgeted to cost the County Council £13.9 million in the year to March 2018, which equates to around one quarter of all expenditure on Highways and Transport. Therefore the need for further efficiencies is ongoing and this involves assessing all aspects of administrative and operator costs.
- 3.2 Since 2011, passes have been renewed automatically on expiry due to the volume of passes, up to 90,000, expiring in March in a given year. To ease the peak, pass renewals have been spread throughout the year as new applicants join the scheme. This is now being introduced to existing pass renewals so that the 45,000 passes due to expire in March 2018 will be renewed in three batches and their future renewal dates spread over a wider time period.
- 3.3 Before passes are renewed, the list of users is checked against 'Tell Us Once', the multi-agency system which notifies a range of authorities when a resident has passed away. Mortascreen, which adds similar data on a national basis, and the National Fraud Initiative are also used to identify whether a passholder is still alive and resident in Hampshire. This is to avoid possible distress, wasted expense, and the risk of fraud of passes no longer required falling into the wrong hands.
- 3.4 In spite of checks, figures showed that around 1% of passes were returned as 'gone away', while data from other schemes suggested that a proportion of passes issued are never used.
- 3.5 On 3 November 2016, the Select Committee was advised of a proposal, later approved by the Executive Member for Environment and Transport, that from January 2017 older persons' passes would no longer be automatically renewed if they had not been recorded as having been used in the previous six months.
- 3.6 Prior to the change a communications programme was put in place with posters displayed on buses, community transport vehicles and sent to around 1,000 groups in Hampshire to make residents aware that they simply have to make one phone call for the pass to be renewed.
- 3.7 The new approach to renewals does not affect eligibility criteria for a pass. Disabled Persons' passes are unaffected by this change and are still automatically renewed, subject to any future need to review eligibility.

4. Results to date

- 4.1. Some 40,000 passes were due for renewal in March 2017 and of these 30,000 were the last of the old format cards for which no journey information was available so they could not be subject to the new process. 10,000 cards provided usage information and, of these 3,355 passes (34%) were not automatically renewed due to lack of recorded card use. To date 1,270 passes have subsequently been requested by those people who did not automatically have their pass renewed. A further 34,000 passes due to be renewed in the months before the next bulk renewal in March 2018 are being dealt with in the same manner.
- 4.2. So far this process has only been applied where passes have not been used in the previous 12 months, rather than six months, as analysis of March bulk renewals suggested that a larger than average number of pass holders would be affected and, at that time, the anticipated resulting queries could not be accommodated with ease. It is proposed that six months continues to be the target, to be met once processes are established to accommodate resulting enquiries within acceptable timeframes and standards.
- 4.3. Experience to date, including regular monthly renewals since March, has shown that, on average, 32% of passes are not recorded as being used and that, after subsequent requests for renewal, the total of passes not renewed remains at just over 20%.
- 4.4. There are currently a further 45,000 passes due for renewal in March 2018, and it is proposed that approval not to automatically renew an Older Person's concessionary pass which has not been used during the previous six months will continue for the 2018/19 scheme. As mentioned above, Disabled Persons' passes continue to be renewed automatically subject to any appropriate review of eligibility.
- 4.5. The cost to the County Council of issuing a pass and keeping it active for five years with no travel is £2.40. The change of process has generated an initial saving of £5,000 in production costs, as well as a further saving of £5 per pass where passes are returned by post and records updated manually. This is in addition to avoiding any unnecessary distress for relatives where a pass holder has died, and it also reduces the risk of potential fraud where a pass is used by someone else. Although the average cost of a pass to the County Council is around £50 a year, an extensively used pass, as might be the case if used fraudulently has a potential to cost the County Council over £500 a year.

5. Learning points

- 5.1 The facility to apply online for replacement passes which have been lost or stolen has been added in 2017. The extension of this to allow online renewal of passes which have expired or are due to expire would provide residents with another option where their pass is not being renewed automatically and would avoid the need for a telephone call.
- 5.2 Passholders registered for Taxi-share have been included for automatic renewal as these journeys are not recorded electronically. Extending this to community transport is currently being investigated.

- 5.3 Journeys made elsewhere in England, outside of Hampshire, are recorded but those made exclusively in London are not passed through to the County Council due to the different system used in London.
- 5.4 The ability to reduce the number of cards on issue, over time, by 20% and to avoid passes being sent out when they are no longer needed will improve the service offered to Hampshire residents. There is also the potential to make a cumulative saving of at least £25,000 in production costs over the five year pass renewal cycle, and reduce the risk of misuse.
- 5.5 A clearer picture will appear as the cycle progresses.

6. Next steps

- 6.1 To achieve further efficiencies during 2018, Hampshire County Council will introduce electronic hotlisting of passes which are no longer valid to reduce the risk of improper use and the resultant costs to the County Council. Hotlisting means that serial numbers of passes which have been replaced through loss or theft are passed to the bus operators in Hampshire so that if such a pass were presented for travel it would be identified by bus' electronic ticket machine. As noted, a misused pass could cost the County Council over £500 a year.
- 6.2 Bus passes will be hotlisted only in the following circumstances:
- the original pass has been reported either lost or stolen and been replaced with a new pass, or
 - a passholder has been written to and the letter has been returned by the Royal Mail indicating the pass holder has moved address, or
 - a passholder has been written to, asking for up to date proof of eligibility or to return the pass and they have not done so.
- 6.3 A pass which is no longer valid will be withdrawn and retained by the bus driver. If a pass is withdrawn and the driver is satisfied that the user is the person identified on the pass, the user will still be able to make that journey. However, subsequent journeys will need to be paid for until either the correct pass is used or a new valid pass obtained.
- 6.4 At present, invalid passes are withdrawn when identified by bus company staff, and this change will utilise the Smartcard capability of the new ticket machines now in use in Hampshire.

7. Conclusion

- 7.1 The Select Committee is asked to note this report.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	no
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	yes

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

Impact assessments are undertaken in advance of any formal executive decision. Information about those impact assessments, including equalities and impact on crime and disorder and on climate change, will be set out in the appendices to the relevant decision making reports. This report is an update to the Select Committee and is not proposing any change or decision, therefore impact assessments have not been undertaken.

2. Impact on Crime and Disorder:

2.1. Impact assessments are undertaken in advance of any formal executive decision. Information about those impact assessments, including equalities and impact on crime and disorder and on climate change, will be set out in the appendices to the relevant decision making reports. This report is an update to the Select Committee and is not proposing any change or decision, therefore impact assessments have not been undertaken.

3. Impact on Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Impact assessments are undertaken in advance of any formal executive decision. Information about those impact assessments, including equalities and impact on crime and disorder and on climate change, will be set out in the appendices to the relevant decision making reports. This report is an update to the Select Committee and is not proposing any change or decision and therefore, in this case, an impact assessment has not been undertaken.

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HAMPSHIRE COUNTY COUNCIL

Report

Committee:	Economy, Transport and Environment Select Committee
Date:	14 November 2017
Title:	Work Programme
Report From:	Director of Transformation & Governance – Corporate Services

Contact name: Marie Mannveille, Scrutiny Officer

Tel: 01962 845018

Email: marie.mannveille@hants.gov.uk

1. Summary

1.1. The purpose of this item is to provide the work programme of future topics to be considered by this Select Committee.

2. Recommendation

That the Economy, Transport and Environment Select Committee approve the attached work programme.

CORPORATE OR LEGAL INFORMATION:**Links to the Strategic Plan**

Hampshire maintains strong and sustainable economic growth and prosperity:	yes
People in Hampshire live safe, healthy and independent lives:	yes
People in Hampshire enjoy a rich and diverse environment:	no
People in Hampshire enjoy being part of strong, inclusive communities:	no

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equality Duty

- 1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:
- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
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 - Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

- 1.3. This is a forward plan of topics under consideration by the Select Committee, therefore this section is not applicable to this report. The Committee will request appropriate impact assessments to be undertaken should this be relevant for any topic that the Committee is reviewing.

2. Impact on Crime and Disorder:

- 2.1. This is a forward plan of topics under consideration by the Select Committee, therefore this section is not applicable to this report. The Committee will request appropriate impact assessments to be undertaken should this be relevant for any topic that the Committee is reviewing.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?
- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

This is a forward plan of topics under consideration by the Select Committee, therefore this section is not applicable to this report. The Committee will consider climate change when approaching topics that impact upon our carbon footprint / energy consumption.

WORK PROGRAMME – ECONOMY, TRANSPORT AND ENVIRONMENT SELECT COMMITTEE

Topic	Issue	Reason for inclusion	Status and Outcomes	14 November 2017	16 January 2018	24 April 2018	Summer 2018
Overview/Pre-Scrutiny - <i>To maintain an overview of the Environment and Transportation in Hampshire agenda, and to consider proposed scrutiny topics for inclusion in the work programme.</i>							
Pre-scrutiny	ETE Dept Capital and Revenue budgets	Pre scrutiny of department budget prior to Executive Member sign-off	Select Committee's pre-scrutinise the budget proposals annually in January.		✓		
Overview	Air Pollution/Air Quality	Request Cllr Kyrle June 2017	Item due to November 2017 meeting.	✓			
Pre-Scrutiny	20mph speed limits	Requested by Cllr Tod June 2017.	To consider the outcomes of a review of pilot 20mph schemes, prior to a decision by the Executive Member. Timing likely to be Jan 2018 due to timing of consultation with residents		✓		

Topic	Issue	Reason for inclusion	Status and Outcomes	14 November 2017	16 January 2018	24 April 2018	Summer 2018
Overview	Managing a Declining Highway Asset	Requested by Cllr Hughes June 2017	To receive an overview of the position via a workshop scheduled for 15 December 2017.				
Scrutiny - to scrutinise, in-depth, priority areas agreed by the Committee, and supported by Policy and Resources Select Committee							
Task and Finish Group	Road Safety	Referred from Policy and Resources Select Committee June 2017 due to performance against measure of deaths and serious injuries on Hampshire roads in 2016/17.	Terms of reference and membership of task and finish group agreed September 2017. First meeting due early Nov 2017. To report back to full committee in 2018				
Real-time Scrutiny - to scrutinise light-touch items agreed by the Committee, through working groups or items at formal meetings.							
Item at meeting	Waste - Recycling rates and future infrastructure requirements	Request by Cllr Kyrle June 2017, following Director of ETE identifying this as an area for consideration in this administration.	Waste Strategy item due to go to Executive Member November 2017 to go to Select Committee for pre-scrutiny.	✓			

Topic	Issue	Reason for inclusion	Status and Outcomes	14 November 2017	16 January 2018	24 April 2018	Summer 2018
Item at meeting	Policy to enable community funded traffic management measures	Request by Cllr Mellor June 2017	To review the impact of the current policy position.			✓	
Monitoring Scrutiny Outcomes - to examine responses to the Committee's reports or comments and check on subsequent progress.							
Update	Concessionary Fares	Request Cllr Westbrook July 2017 to retain on work programme.	Change in policy January 2017 to no-longer auto renew older persons passes that have not been used for 6 months. To review data on impact of this change.	✓			
Update	Fly Tipping	Request by Cllr Bennison June 2017	Update on Fly Tipping, following strategy agreed in March 2017			✓	

Suggestions to be added when timely:

- Review of Walking and Cycling Strategies brought in in 2016 (request by Cllr Tod June 2017)
- Impact of Brexit on the Hampshire Economy (request by Cllr Kyrle June 2017)