

## Schedule 9

### Waste

#### Part 1

#### Payments to the WCC

1. The University and the Shared Authorities hereby agree that:-
  - 1.1. the household waste collection scheme for the Dwellings is to be through an Underground Bin Waste Scheme as this reflects the University's vision for the Development to meet the highest possible sustainability objectives;
  - 1.2. the Shared Authorities have agreed to the disposal and collection of waste using the Underground Bin Waste Scheme provided that the Underground Bin Waste Scheme meets statutory health and safety requirements and the overall net costs to the WCC of operating and maintaining the Underground Bin Waste Scheme on the Site over the Lifecycle Period will be no higher than if the equivalent Baseline Waste Scheme was utilised on the Site; and
  - 1.3. the University will make the Waste Contribution Annual Payments to the WCC (where required) to cover any additional cost incurred in each year based on the Waste Contribution Payment Profile calculated using the Waste Contribution Model. The Waste Contribution Annual Payments will include forward funding by 1 (one) year.
2. The University hereby covenants with the Shared Authorities (subject to the City Council complying with its obligations in paragraph 2.5 of Part 1 of Schedule 11) the following:-
  - 2.1. prior to the Commencement of the First Dwelling to pay to the WCC the Underground Bin Waste Scheme Vehicle Contribution;
  - 2.2. not to Commence or allow Commencement of the First Dwelling unless and until the University has paid to the WCC the Underground Bin Waste Scheme Vehicle Contribution;
  - 2.3. to run or procure the running of the Waste Contribution Model with the WCC to determine the Waste Contribution Payment Profile by no later than 3 (three) months prior to the 1<sup>st</sup> Dwelling Occupation Date and no sooner than 5 (five) months prior to the 1<sup>st</sup> Dwelling Occupation Date;
  - 2.4. not to Occupy or allow Occupation of the first Dwelling unless and until the University has run or procured the running of the Waste Contribution Model with the WCC to determine the Waste Contribution Payment Profile in accordance with paragraph 2.3 of this Part 1 of Schedule 9;

- 2.5. on the 1<sup>st</sup> Dwelling Occupation Date to pay to the WCC a sum equal to the Year 1 and 2 Waste Contribution Profile Payments;
- 2.6. not to Occupy or allow or permit the Occupation of more than the First Dwelling unless and until the University has paid to the WCC a sum equal to the Year 1 and 2 Waste Contribution Profile Payments;
- 2.7. on the 1<sup>st</sup> (first) anniversary of the 1<sup>st</sup> Dwelling Occupation Date to pay to the WCC a sum equal to the Year 3 Waste Contribution Profile Payment;
- 2.8. not to Occupy or allow or permit the Occupation of any Dwellings not previously Occupied on by the 1<sup>st</sup> (first) anniversary of the 1<sup>st</sup> Dwelling Occupation Date unless and until the University has paid to the WCC a sum equal to the Year 3 Waste Contribution Profile Payments;
- 2.9. (subject to paragraph 3.2 of this Part 1 of Schedule 9) on each anniversary thereafter to pay to the WCC a sum equal to the Year 4 and Later Years Waste Contribution Profile Payments due to the WCC (if any) for year 4 and subsequent years so that by the 2<sup>nd</sup> (second) anniversary of the 1<sup>st</sup> Dwelling Occupation Date the payment sum due for year 4 in the Waste Contribution Payment Profile shall be paid by the University to the WCC by the 3<sup>rd</sup> (third) anniversary of the 1<sup>st</sup> Dwelling Occupation Date the payment sum (if any) due for year 5 in the Waste Contribution Payment Profile shall be paid by the University to the WCC and so on with due payments being made on an annual basis until the 58<sup>th</sup> (fifty eighth) anniversary of the 1<sup>st</sup> Dwelling Occupation Date where the final payment due (if any) in year 60 shall be paid to the WCC;
- 2.10. not to Occupy or allow or permit the Occupation of any Dwelling or Employment Floorspace not previously Occupied on each anniversary of the 1<sup>st</sup> Dwelling Occupation Date unless and until the relevant payment sum (if any) due for that year as shown in the Year 4 and Later Years Waste Contribution Profile Payments has been paid by the University to the WCC;
- 2.11. that in the event of any delay by the University in payment of any of the Waste Contribution Annual Payments the Year 1 and 2 Waste Contribution Profile Payments or the Year 3 Waste Contribution Profile Payment or the Year 4 and Later Years Waste Contribution Profile Payments or any part thereof the unpaid amount shall:-
  - 2.11.1 thenceforth be a debt due to the WCC recoverable by action; and
  - 2.11.2 thereafter be liable to interest thereon calculated (not in accordance



with Clause 8.3) but as follows:

- (a) during the period from the 1<sup>st</sup> Dwelling Occupation Date up until the Waste Full Occupation Date interest shall be calculated on a daily basis at a daily rate of  $1/365^{\text{th}}$  of the annual rate of interest of 4 (four) per centum per annum greater than the Bank of England base rate in force from time to time from the due date as specified in this Part 1 of Schedule 9 until the date of payment thereof;
- (b) between the Waste Full Occupation Date and the end of the Life Cycle Period interest shall be calculated on a daily basis at a daily rate of  $1/365^{\text{th}}$  of the annual rate of interest of 5 (five) per centum per annum greater than the Bank of England base rate in force from time to time from the due date as specified in this Part 1 of Schedule 9 until the date of payment thereof;

Provided That

- (i) in the event that the difference between the due date and the date of payment is less than 12 (twelve) months then interest shall be calculated on a daily basis at a daily rate of  $1/365^{\text{th}}$  of the annual rate of interest of 5 (five) per centum per annum greater than the Bank of England base rate in force from time to time;
- (ii) in the event that the difference between the due date and the date of payment becomes greater than 12 (twelve) months then interest for any period during which the unpaid amount remains unpaid beyond 12 (twelve) months until the date of payment shall be calculated on a daily basis at a daily rate of  $1/365^{\text{th}}$  of the annual rate of interest of:-
  - (a) 5 (five) per centum per annum greater than the Bank of England base rate in force from time to time; or
  - (b) 10 (ten) per centum per annum;

and in the case of (a) and (b) this shall be whichever amount is greater;

(iii) where the delay in payment is due to the amount payable not having been agreed (and the University has otherwise discharged its obligations in paragraph 2.3 and 3.2.1 of this Part 1 of Schedule 9 or has not been able to do so due to the City Council not complying with its obligations in paragraph 2.1 of Part 1 of Schedule 11) interest shall only become payable if payment has not been made by the University after 20 (twenty) Business Days of the amount being agreed or determined by the dispute resolution provisions in Clause 12 and references to "the due date" for the purpose of this paragraph 2.11 of this Part 1 of Schedule 9 shall run from the date 20 (twenty) Business Days of the amount being agreed or determined by the dispute resolution provisions in Clause 12;

2.12. the University shall not permit or allow the Waste Full Occupation Date to occur until it has made all of the payments that have fallen due pursuant to paragraph 2.9 of this Part 1 of Schedule 9;

2.13. the University will maintain the Underground Bunkers to an operational standard in accordance with the requirements of the WCC Provided That this obligation shall not require the University to undertake repairs that are due to the negligence of the WCC or the WCC not exercising due care in operating the Underground Bin Waste Scheme so as to cause damage to the Underground Bunker where in such circumstances the WCC shall be responsible for meeting the cost of restoring the operational integrity of the Underground Bunker; and

2.14. where an underground bin system is used which incorporates landscaping materials on its platform surface, the responsibility for maintaining the surface and replacing materials due to general wear and tear lies with the University Provided That damage caused to the materials as a result of the WCC's operation of the Underground Bin Waste Scheme will be paid for by the WCC, but with the co-operation of the University in sourcing materials.

3. The University and the Shared Authorities hereby further agree that:-

3.1 the Waste Contribution Payment Profile generated prior to the 1<sup>st</sup> Dwelling Occupation Date will remain in place for the Lifecycle Period and the University will only be required during the Lifecycle Period to make payments in line with that Waste Contribution Payment Profile unless a Waste Trigger Event occurs;

3.2 where a Waste Trigger Event occurs:-



3.2.1. the Waste Contribution Model shall be rerun by the University and the WCC and the Waste Contribution Payment Profile shall be recalculated in accordance with paragraph 5 of Part 2 of Schedule 9; and

3.2.2. where:-

- (a) the Waste Trigger Event results in a Revised Waste Contribution Payment Profile which is showing that the payments due from the University in any 1 (one) year are at the Waste Annual Deviation Threshold; and
- (b) the reason for the change is not as a consequence of inefficiencies in the operation, management or maintenance of the Underground Bin Waste Scheme or a failure to adopt good practice by the WCC or its contractor or the operator of the Underground Bin Waste Scheme;

the payments due to be made by the University in accordance with paragraph 2 of this Part 1 of Schedule 9 shall be substituted with the figures shown in the agreed Revised Waste Contribution Payment Profile;

3.3. if at any time the University gives the City Council written notification that the University considers that the Underground Bin Waste Scheme no longer represents the optimal waste solution for the Development including (but without limitation) the fact that the Underground Bin Waste Scheme Annual Operating Costs become such that these are disproportionately high when compared to the Baseline Waste Scheme or the Underground Bin Waste Scheme is not operating as intended the University and the WCC shall work together in good faith to implement a more cost effective household waste scheme solution for the Development which the Parties hereby agree could be the introduction of the Baseline Waste Scheme Provided that the net costs to the WCC of implementing operating and maintaining that alternative household waste scheme solution shall be no more than if the Baseline Waste Scheme had been introduced at the Commencement of the Development;

3.4. if the difference between the costs of operating the Underground Bin Waste Scheme and the Baseline Waste Scheme becomes neutral or cheaper to run over the Lifecycle Period with a reasonably acceptable cashflow for the

WCC then the obligations in paragraph 2 of this Part 1 of Schedule 9 regarding the making of further payments shall cease to apply and the provisions in paragraph 3.6.2 to 3.6.4 inclusive of this Part 1 of Schedule 9 shall be triggered;

3.5. if at the end of the Lifecycle Period the University is not able to demonstrate to the satisfaction of the WCC that the continuing cost of the Underground Bin Waste Scheme does not exceed the costs of the Baseline Waste Scheme, the University shall provide and operate such other measures to enable the WCC to collect household waste in Perpetuity (such other measures may include, but are not limited to alternative financial payments to the WCC) and the WCC will act in good faith and use reasonable endeavours to complete a further agreement should events at that time suggest that a further agreement is required to achieve the objective in paragraph 1.1 of this Part 1 of Schedule 9; and

3.6. where at the end of the Lifecycle Period the accounts for the operation of the Underground Bin Waste Scheme are showing a cash surplus the following shall occur:-

3.6.1. where a further agreement is to be completed in accordance with paragraph 3.5 of this Part 1 of Schedule 9 the cash surplus derived from the Waste Contribution Payment Profile shall be reinvested by the WCC in capital and operational investment in the Underground Bin Waste Scheme and any cash surplus other than that derived from the Waste Contribution Payment Profile up to the Waste Cash Surplus Threshold shall be retained by the WCC and any cash surplus in excess of the Waste Cash Surplus Threshold shall be shared equally between the University and the WCC;

3.6.2. where a further agreement is not required, or at any time that either of the events at paragraph 3.4 of this Part 1 of Schedule 9 occurs ahead of the end of the Lifecycle Period any cash surplus other than that derived from the Waste Contribution Payment Profile up to the Waste Cash Surplus Threshold shall be retained by the WCC and any cash surplus in excess of the Waste Cash Surplus Threshold shall be shared equally between the University and the WCC;

3.6.3. where a further agreement is not required, any cash surplus derived from the Waste Contribution Payment Profile shall be paid to the University;



- 3.6.4. any sums due to the University under this paragraph 3.6 of this Part 1 of Schedule 9 shall be repaid to the University within 30 (thirty) Business Days of the accounts for the operation of the Underground Bin Waste Scheme being audited and finalised by the WCC at the end of the Lifecycle Period; and
- 3.6.5. the WCC hereby covenants for this purpose:-
- (a) to undertake separate accounting for the operation of the Underground Bin Waste Scheme; and
  - (b) to finalise the accounts for the operation of the Underground Bin Waste Scheme on an annual basis diligently and to provide a copy to the University as soon as is reasonably practicable thereafter.





## Schedule 9

### Waste

#### Part 2

#### Calculation of Waste Contribution Payment Profile

##### 1. Baseline Waste Scheme Annual Operating Costs

- 1.1 The Baseline Waste Scheme Annual Operating Costs ( $B_{tot}$ ) to the WCC is the sum of the annual collection costs (excluding waste material revenue income) ( $B_{col}$ ) plus the annual waste container purchase and replacement costs ( $B_r$ ) for all completed Dwellings:-

$$B_{tot} = B_{col} + B_r.$$

- 1.2 This is to be calculated for each year of the Lifecycle Period based on the projected number of homes completed for each year and is to be calculated using the most recent end of year audited collection costs to the WCC as a cost per household per year at the Waste Contribution Model First Run Date using the account codes and calculations for the baseline analysis specified in Part 3 of this Schedule 9 multiplied by the number of total homes predicted to have been completed and Occupied on the Development in any given year.
- 1.3 For the purpose of reference only the collection costs at the date of this Deed have been calculated by the WCC to be circa £42.74 (forty two pounds and seventy four pence) per Dwelling based on costs for the WCC's 2011/2012 financial year.

##### 2. Underground Bin Scheme Annual Operating Cost

- 2.1 The Underground Bin Waste Scheme Annual Operating Cost ( $U_{tot}$ ) in year  $n$  for the WCC is given by the sum of the annual collection costs, maintenance costs and replacement costs of Underground Bins and Components, all calculated using the account codes and calculations specified in Part 3 of this Schedule 9 and the assumptions and formula below.
- 2.2 Each year also includes income from sale of recycled paper (P) which is a deviation from the Baseline Waste Scheme.

$$U_{tot} = U_{col} + U_m + U_{rm} - P.$$

2.3 Where:-

2.3.1 Collection costs ( $U_{col}$ )

- (a) the collection costs calculated for the Underground Waste Scheme are based on a summation of the Underground Waste Scheme collection costs detailed in Table 2 of Part 3 of this Schedule 9 using the following assumptions:-
  - (i) a reduction in collection personnel from the Baseline Waste Scheme of 3 (three) people per crew to the number required to collect from the Underground Bin Waste Scheme; and
  - (ii) the use of a new recruit(s) for operating the vehicle with annual pay progression; and
  - (iii) phasing of fuel and maintenance costs during the first vehicle's lifetime to allow for the phased vehicle utilisation; and
  - (iv) an assumed lifetime of 8 (eight) years for the first vehicle lifetime, followed by 7 (seven) years for subsequent vehicle replacements; and
  - (v) future vehicle repair and replacement costs based on the purchase price of the vehicle required for the Underground Bin Waste Scheme referred to in paragraph 2.1.1 of Part 4 of this Schedule 9; and.
- (b) for the Waste Contribution Model First Run Date, all costs will be based on the predicted costs for Codes in Table 2 of Part 3 of this Schedule 9 with adjustments to allow for the assumptions listed above. Subsequent runs of the model will use the most recent end of year audited costs taken from the Table 2 account codes in Part 3 of this Schedule 9.

2.3.2 Maintenance costs ( $U_m$ )

- (a) the maintenance costs for the Underground Bins and Components consist of



the following items:-

- (i) annual routine maintenance of the Underground Bins and Components. This maintenance may be undertaken by the WCC, the operator or manufacturer or other third party;
- (ii) the replacement of routine maintenance parts where necessary; and
- (iii) reasonable costs to cover accidental damage repairs. For the Waste Contribution Model First Run Date, an assumption of 2.5 (two and a half) % of the installed Underground Bins and Components needing £1,000 (one thousand pounds) of repairs per year will be used.

2.3.3 Replacement costs ( $U_{rm}$ )

- (a) replacement costs cover the replacement of the Underground Bins and Components including (without limitation) the cost of procurement of the same.

2.3.4 Paper Recycling Revenue ( $P$ )

- (a) income from the sale of recycled paper. This will be calculated from the income per tonne of paper taken from the current WCC material resource contract; and
- (b) if alternative waste streams are collected using the Underground Bin Waste Scheme which differ from the Baseline Waste Scheme then  $P$  shall represent the net additional materials revenue from this alternative waste stream over the Baseline Waste Scheme.

3. Net Costs

- 3.1 The net annual cost to the WCC of operating the underground scheme ( $C_{net}$ ) will be:-

$$C_{net} = U_{tot} - B_{tot}.$$

4. Calculation of Waste Contribution Payment Profile

4.1 The calculation of  $C_{net}$  over the Lifecycle Period provides an annual profile of profit or loss to the WCC and assumes over the Lifecycle Period that there is either or both a higher cost to the WCC than the equivalent Baseline Waste Scheme and an unacceptable cashflow for the WCC. If these assumptions are incorrect the parties will work in good faith to determine how to proceed; any failure to agree how to proceed within 6 (six) months of the assumptions having been found to be incorrect will enable either party to invoke the dispute resolution provisions in accordance with Clause 12 of this Deed.

4.2 In calculating the payment profile:-

4.2.1 If  $C_{net}$  is negative in any given year:-

(a) the University will make no payment to the WCC. The amount  $C_{net}$  will be invested by the WCC to fund shortfalls in future years in accordance with paragraph 3 of this Part 2 of Schedule 9.

4.2.2 If  $C_{net}$  is positive in any given year:-

(a) WCC funds from previous years' operation will be used in the first place to fund the shortfall, followed by a payment from the University in accordance with paragraph 3 of this Part 2 of Schedule 9 so that:-

*payment from the University shown in the Waste Contribution Payment Profile =  $C_{net}$  – funds available from the WCC.*

4.3 Where the funds from the Waste Contribution Payment Profile held by the WCC are in surplus so  $C_{net}$  continues to be a negative those funds will be rolled forward to off-set the next payment and if sufficient, the payment after that until all the funds available have been depleted.

4.4 Where information is required to be supplied by either the University or the WCC to the other party for the purposes of calculating the Waste Contribution Payment Profile, each party will be required to provide the requested information within a period of 15 (fifteen) Business Days from the time of request being placed.



5. Recalculation of the Waste Contribution Payment Profile

- 5.1 The combination of formulae as described above and guarantees/caps obtained from manufacturers covering lifetimes and maintenance/replacement costs, will mean that the payment profile over the Lifecycle Period can be predicted with an acceptable level of certainty. With no changes to the scheme, any cost overruns/underruns will be to the benefit of either party, but subject to paragraph 3.2.2 of Part 1 of this Schedule 9.
- 5.2 The University and the Shared Authorities acknowledge that it is possible that one or more changes during the Lifetime Period take place which do result in a significant change in costs. These are termed "Waste Trigger Events" and are set out in paragraph 6 below and will trigger a recalculation of the Waste Contribution Payment Profile by rerunning the Waste Contribution Model at the end of the relevant WCC financial year in which the Waste Trigger Event occurs following receipt of the audited accounts, resulting in a revised payment profile or a revised period over which payments are made and provided the criteria in paragraph 3.2.2 of Part 1 of this Schedule 9 are met.
- 5.3 Many of the triggers may only result in a small or negligible cost change. Therefore where a threshold equivalent to the Waste Annual Deviation Threshold is achieved the formulas will first be run in order to calculate the level of change following the Waste Trigger Event and then the Revised Waste Contribution Payment Profile will be generated if the input cost changes are deemed significant and the criteria in paragraph 3.2.2 of Part 1 of this Schedule 9 are met.
- 5.4 Where the Waste Contribution Model is rerun the actual costs for both the Underground Bin Waste Scheme and the Baseline Waste Scheme at the time of the rerun will be used in the model using the account codes specified in Part 3 of this Schedule 9. The costs used will be the costs in the relevant end of year audited accounts.
- 5.5 Any rerun of the Waste Contribution Model following an exceptional circumstance trigger event as described in paragraph 6.1.1(a) of this Part 2 of Schedule 9 will include the WCC's debt in the calculations where such debt is agreed by both Parties to have been caused by acceptable triggers meeting the criteria in paragraph 3.2.2(b) of Part 1 of this Schedule 9 such that the debt can be recovered by the WCC through the Revised Waste Contribution Payment Profile.

5.6 All Waste Trigger Events must be agreed jointly between the University and the WCC acting reasonably and where there is disagreement as to whether a Waste Trigger Event has been generated the matter may be referred to the dispute resolution provisions at Clause 12 hereof.

6. Waste Trigger Events

6.1. The following amount to Waste Trigger Events:-

6.1.1. Exceptional Circumstance Trigger Events

- (a) the actual net annual costs to the WCC of operating the Underground Bin Waste Scheme result in the WCC with a cumulative shortfall of more than the Waste Cumulative Deviation Threshold when compared to the modelled annual profile; and
- (b) any other exceptional circumstances where the University and the WCC agree warrants a review of the Waste Contribution Payment Profile.

6.1.2. Significant Changes to the Baseline Waste Scheme Costs

- (a) the Baseline Waste Scheme Annual Operating Costs used in the Waste Contribution Model will always represent an equivalent level of service to that provided by the Underground Bin Waste Scheme. Any changes to these costs caused by a Waste Trigger Event will be calculated using the series of account codes and calculations specified in Part 3 of this Schedule 9.
- (b) the following triggers will result in a rerun of the Waste Contribution Model and subject to the criteria in paragraph 3.2.2 of Part 1 of this Schedule 9 being met a Revised Waste Contribution Payment Profile:-
  - (i) significant Baseline Waste Scheme changes in cost whilst maintaining an equivalent service to the Underground Bin Waste Scheme. For example significant changes in service delivery costs;



- (ii) number of waste streams for collection at each property. This may result in cost changes, but also changes in service (fewer/more waste streams). Adjustments will be required to ensure the Baseline Waste Scheme cost model represents the same level of service as provided by the Underground Bin Waste Scheme;
- (iii) timing of collections. More or less frequent Baseline Waste Scheme collections may result in costs changes. Any change in timing and resultant costs will need to be adjusted to maintain the equivalent collection timing for the Underground Bin Waste Scheme;
- (iv) move away from wheelie bins. If an alternative waste collection scheme is used for the Baseline Scheme, the cost comparison must be based on providing an equivalent level of service to the Underground Bin Waste Scheme. Examples include:-
  - (a) if a comparable underground bin system in the Cambridge City administrative boundary is assumed to be cost neutral, then the scheme at the Development will be assumed to be cost neutral and no further payments made;
  - (b) if comparable underground bin system is proposed for 25 (twenty five)% or more of existing flats in the Cambridge City administrative boundary, then the scheme at the Development will be assumed to be cost neutral for flats, and future payments will be based only on houses using the system; and.
  - (c) if comparable underground bin system is proposed for 25 (twenty five)% or more

of existing houses in the Cambridge City administrative boundary, then the scheme at the Development will be assumed to be cost neutral for houses, and future payments will be based only on flats using the system;

6.1.3. Legislative Change

- (a) changes in legislation may alter the nature of waste collection and therefore directly or indirectly act as a trigger. It is not possible to predict long term legislative changes but the WCC will be required to inform the University of any changes which may impact on either the Baseline Waste Scheme or the Underground Bin Waste Scheme. Examples may include:
  - (i) privatised waste collection for residential waste. This may trigger a break of the agreement between the WCC and University; and
  - (ii) move to source segregated collections of recycling;

6.1.4. Significant changes to Underground Bin Scheme costs

- (a) during the Lifecycle Period, it is possible that changes to the Underground Bin Waste Scheme may occur. These could include:-
  - (i) a change in procurement and system provider that results in change to operational, maintenance or replacement costs for the WCC;
  - (ii) change in waste collection strategy for underground systems. For example, a reduction in the number of underground bins used from 3 (three) to 2 (two), or more or less frequent collections;
  - (iii) improvements in vehicle and staff utilisation resulting from other developments/schemes making use of the collection vehicle or underground system, including others used on the Site (e.g. for student accommodation,



- commercial uses, or bring sites). This will trigger a recalculation of the Underground Bin Waste System Annual Operating Costs;
- (iv) change in replacement guarantee number of years for the underground bin system. This may occur with the same supplier or change in suppliers;
  - (v) green waste. The current scheme is based on the assumption that excess residential green waste is managed by the University on-Site. If green waste collection is required by the WCC, this will be at additional cost to the University and require a recalculation of the payment profile; and
  - (vi) less or more accidental damage repairs than budgeted for; and

6.1.5. Development Changes

- (a) the initial payment profile will be calculated on an assumed development phasing. Changes to the phasing are likely to result in changes to waste collection utilisation in the early years, and potentially to overall amount of development. The following triggers are proposed:-
  - (i) a change to the Planning Permissions or conditions (through applications pursuant to Section 73 of the 1990 Act) that results in timescale change for the Development;
  - (ii) a change in waste collection strategy part way through the Development. For example, only the first phase of the Development as defined by the Site Wide Phasing Plan (Planning Condition 5) makes use of underground bins due to unforeseen issues;
  - (iii) a stoppage of construction of the Dwellings for more than 5 (five) years based on the housing trajectory used at time of the Waste Contribution Payment Profile;

- (iv) a reduction in the overall number of Dwellings;
- (v) a delay of more than 5 (five) years to the delivery of the Development whilst retaining the existing phasing outside of this 5 (five) year delay; and
- (vi) an overall trajectory change in development of 20 (twenty)% over a 2 (two) year period based on the housing trajectory used at time of the Waste Contribution Payment Profile.

7. Disputes

For the avoidance of doubt the Parties agree that any dispute between the University and the Shared Authorities and/or the WCC relating to or arising out of the terms of this Schedule 9 shall be governed by the procedure for dealing with disputes in Clause 12 hereof

8. Formula Variables

The Formula variables used in this Part 2 of Schedule 9 and which are to inform the Waste Contribution Model are:-

Baseline Waste Scheme

$B_{tot}$  Total annual cost to the WCC of the Baseline Waste Scheme in year N.

$B_{col}$  Annual collection cost of the Baseline Waste Scheme.

$B_r$  Annual purchase and replacement cost of bins in the Baseline Waste Scheme.

Underground Bin Waste Scheme

$U_{tot}$  Total annual operating cost of Underground Bin Waste Scheme.

$U_{col}$  Annual operating cost of collection from Underground Bin Waste Scheme.

$U_m$  Annual cost of maintenance for the Underground Bin Waste



Scheme but excluding the Underground Bunkers.

$U_m$  Annual cost of replacement of Underground Bins and Components but excluding Underground Bunkers.

$P$  Income from sale of recycled paper or any alternative waste stream over the Baseline Waste Scheme in accordance with paragraph 2.3.4 of this Part 2 of this Schedule 9.





**Schedule 9**

**Waste**

**Part 3**

**Account Codes and Calculations**

All costs taken from the account codes detailed in Table 1 and Table 2 (or such codes as may supersede these) and used for the purpose of running the Waste Contribution Model will be from externally audited values, or with a clear defined derivation from an externally audited value, provided to the University.

**Table 1: Baseline Waste System Cost Codes:**

(All Baseline Waste System costs need to be converted into cost per household for use in calculating the Baseline Waste Scheme Annual Operating Costs in paragraph 1 of Part 2 of this Schedule 9).

02102/ 02201/ 02302	Green/ Domestic/ Dry Recycling - Operational	Description
0001	EMP - Basic Pay	Operational employee and first line supervision
0002	EMP - Additions to Pay	Overtime covering bank holidays, etc
0003	EMP - National Insurance	Operational employee and first line supervision
0004	EMP - Pensions - Employers Contribution	Operational employee and first line supervision
0023	EMP - Employee Insurance - Contribution to Insurance Fund	Operational employee and first line supervision
0028	EMP - Temp/Agency Staff (including cover for vacancies)	Cover for operational employee and first line supervision
0301	TRAN - Fleet Management	Standard per vehicle charge
0303	TRAN - Maintenance/Serviceing of Vehicles/Plant	-
0304	TRAN - Fuel	-

<b>02102/ 02201/ 02302</b>	<b>Green/ Domestic/ Dry Recycling - Operational</b>	<b>Description</b>
0305	TRAN - Road Fund Licences	-
0306	TRAN - Vehicle Insurance - Contribution to Insurance Fund	Standard per vehicle charge
0307	TRAN - R & R Fund Contribution (Transport)	Additional replacement fund contributions to cover additional expected costs of purchase over and above the initial purchase
0309	TRAN - Hire of Vehicles/Plant	Cover for MOT/service time
0399	TRAN - Other Transport Costs	Miscellaneous vehicle costs plus vehicle tracking charges
0407	S & S - Materials	Purchase of miscellaneous parts/accessories/equipment
0408	S & S - Clothing & Uniforms	-
0599	S & S - Other Supplies & Services	Miscellaneous spend
1502	FIN - Capital Accounting-Depreciation	Annual replacement contributions for the purchase of vehicles based on the initial cost of the vehicles
<b>02502</b>	<b>College/ Bring/ Flats</b>	
0001	EMP - Basic Pay	Operational employee and first line supervision
0002	EMP - Additions to Pay	Overtime covering bank holidays, etc
0003	EMP - National Insurance	Operational employee and first line supervision
0004	EMP - Pensions - Employers Contribution	Operational employee and first line supervision
0023	EMP - Employee Insurance - Contribution to Insurance Fund	Operational employee and first line supervision
0028	EMP - Temp/Agency Staff (including cover for vacancies)	Cover for operational employee and first line supervision
0301	TRAN - Fleet Management	Standard per vehicle charge



02102/ 02201/ 02302	Green/ Domestic/ Dry Recycling - Operational	Description
0303	TRAN - Maintenance/ Servicing of Vehicles/Plant	-
0304	TRAN - Fuel	-
0305	TRAN - Road Fund Licences	-
0306	TRAN - Vehicle Insurance - Contribution to Insurance Fund	Standard per vehicle charge
0307	TRAN - R & R Fund Contribution (Transport)	Additional replacement fund contributions to cover additional expected costs of purchase over and above the initial purchase
0309	TRAN - Hire of Vehicles/Plant	Cover for MOT/service time
0399	TRAN - Other Transport Costs	Miscellaneous vehicle costs plus vehicle tracking charges
0407	S & S - Materials	Purchase of miscellaneous parts/accessories/equipment
0408	S & S - Clothing & Uniforms	-
0599	S & S - Other Supplies & Services	Miscellaneous spend.
1502	FIN - Capital Accounting-Depreciation	Annual replacement contributions for the purchase of vehicles based on the initial cost of the vehicles

### Notes

The 02502 cost centre is currently estimated to be 50 (fifty) % relating to the collection of waste from flats and will be agreed at the Waste Contribution Model First Run Date.

The number of households for the purpose of calculating the Baseline Waste Scheme Annual Operating Costs as a cost per household shall be as per the "Valuation Office's Schedule of Alterations" Statement of numbers and bands of all properties shown in the "Valuation List for the Billing Authority Area", "Grand Total Line" for the last statement immediately prior to the date of the calculation.

**Table 2 - Underground waste system cost codes**

The Underground Bin Waste Scheme operating costs are to be those incurred by the WCC pertinent to the operation of the Underground Bin Waste Scheme for the Development only.

<b>Account Code</b>		<b>Description</b>
0001	EMP - Basic Pay	Operational employee and first line supervision
0002	EMP - Additions to Pay	Overtime covering bank holidays, etc
0003	EMP - National Insurance	Operational employee and first line supervision
0004	EMP - Pensions - Employers Contribution	Operational employee and first line supervision
0023	EMP - Employee Insurance - Contribution to Insurance Fund	Operational employee and first line supervision
0028	EMP - Temp/Agency Staff (including cover for vacancies)	Cover for operational employee and first line supervision
0301	TRAN - Fleet Management	Standard per vehicle charge
0303	TRAN - Maintenance/Serviceing of Vehicles/Plant	-
0304	TRAN – Fuel	-
0305	TRAN - Road Fund Licences	-
0306	TRAN - Vehicle Insurance - Contribution to Insurance Fund	Standard per vehicle charge
0307	TRAN - R & R Fund Contribution (Transport)	Additional replacement fund contributions to cover additional expected costs of purchase over and above the initial purchase
0309	TRAN - Hire of Vehicles/Plant	Cover for MOT/service time
0399	TRAN - Other Transport Costs	Miscellaneous vehicle costs plus vehicle tracking charges.
0406	S & S - Insurances - Contribution to Insurance Fund	Insurance of the bin mechanisms

Account Code		Description
0407	S & S – Materials	Purchase of miscellaneous parts/accessories/equipment
0408	S & S - Clothing & Uniforms	
0445	S & S - Other IT Supplies & Services	Software/maintenance/hardware costs for supporting IT systems
0477	S & S - Sub Contractors/Works	Maintenance contract works
0599	S & S - Other Supplies & Services	Miscellaneous spend
1502	FIN - Capital Accounting-Depreciation	Annual replacement contributions for the purchase of a vehicle based on the initial cost of the vehicle





## Schedule 9

### Waste

#### Part 4

#### Calculation of the Underground Bin Waste Scheme Vehicle Contribution

1. The WCC will need to invest in a new vehicle for the purpose of collections from the Underground Bin Waste Scheme. The University is to make a contribution towards that investment by way of the Underground Bin Waste Scheme Vehicle Contribution in accordance with paragraph 2.1 of Part 1 of this Schedule 9.
2. The Underground Bin Waste Scheme Vehicle Contribution is to be calculated by the WCC and is to be based on the difference between the cost of a vehicle required to operate the Baseline Waste Scheme and the cost of a vehicle to operate the Underground Bin Waste Scheme with allowances being made for whether the WCC would have invested in a new vehicle at exactly the same time by applying the following formula:-
  - 2.1 Where
    - 2.1.1 A is the cost at the time of purchase of a vehicle fit for the purpose of collecting waste from the Underground Bin Waste Scheme;
    - 2.1.2 B is the cost of a normal refuse truck at time of purchase of a vehicle fit for the purpose of collecting waste from the Underground Bin Waste Scheme;
    - 2.1.3 C is the interest rate projection for 2015/16 as per the WCC's latest medium term strategy ("MTS"); and
    - 2.1.4 D is the interest rate projection for 2016/17 as per latest MTS;
  - 2.2 The Parties hereby agree that the Underground Bin Waste Scheme Vehicle Contribution shall not be Index Linked in accordance with Clause 19 hereof.
  - 2.3 Full Formula:-
    - 2.3.1  $((A-B)+(B \times C)+((B \times C) \times D)) + (B/8(\text{first vehicle life}) \times \text{Years bought in advance})$ .

- 2.4 Where the phasing of development alters from C and D, C and D will be adjusted accordingly to align with the date specified in paragraph 2.1 of Part 1 of this Schedule 9 such that only relevant years are used.
- 2.5 The number of "years bought in advance" specified in the formula is the number of years in advance between when the Underground Bin Waste Scheme Vehicle is purchased and the time at which a conventional new vehicle would have been purchased for the Baseline Waste Scheme. The calculation shall assume the conventional vehicle would be purchased in line with the growth assumptions and vehicle purchase requirements as specified in the MTS. Where this differs from the two years as illustrated, the Parties agree that the formula shall be adjusted accordingly.