

Bath & North East Somerset Council		
MEETING/ DECISION MAKER:	CABINET	
MEETING/ DECISION DATE:	13 July 2016	EXECUTIVE FORWARD PLAN REFERENCE:
		E 2876
TITLE:	Review of the Council's Waste & Recycling Collection Service	
WARD:	All	
An Open Public Item		
<p>List of attachments to this report:</p> <p>Appendix 1A Wheeled bin survey</p> <p>Appendix 1B Customer Satisfaction Results</p> <p>Appendix 1C Waste Analysis</p>		

1. THE ISSUE

1.1 The Council's published Waste Strategy "Working Towards Zero Waste" (as amended 2014) details a number of strategic aims (see section 5 of this report) along with a key action to review its waste & recycling collection methodology to limit the volumes of waste collected by 2020. In addition, the Council faces the following challenges;

- to mitigate against the financial pressures forecast in the waste & recycling collection services taking into account the loss of the DCLG grant of £450k pa from March 2017;
- the end of the Initial Term of the Recycling Services Contract with Kier on 5th November 2017 ;
- to reduce the amount of recyclable waste that is currently presented as non-recyclable waste (recent analysis shows that 58% of the contents of our black bag waste collection is still material that could be recycled using our current service);

1.2 In addition, the Council has a priority of 'promoting cleaner, greener and healthier communities', which is supported by a number of the proposals within this report, including:

- continuing a weekly waste collection service for the majority of household waste, including food and recyclables;

- increasing recycling rates and prioritising sustainability & environmental performance in accordance with our waste strategy;

- reducing street waste and preventing access to waste by gulls and other scavengers.

- 1.3 The national recycling league table for 14/15 ranked B&NES 80 out of 353 local authorities in England. The majority of B&NES residents embrace recycling, and our performance has previously been at the forefront in the UK, however in recent years our recycling performance has plateaued. This can be directly attributed to the fact that we have not evolved our collection services to incentivise further recycling by restricting the amount of non-recyclable waste collected. Various collection options have been modelled by the Council to help improve performance, and recommendations are made as to the approach which most closely meets objectives.

2 RECOMMENDATIONS

That Cabinet agree:

- 2.1 To implement in 2017, following a period of public engagement, a new waste & recycling collection service using tried and tested methodology, which prioritises a weekly recycling service and most closely meets the Council's objectives detailed within the Waste Strategy.
- 2.2 To ensure the retention of a weekly collection service, continuing to deliver one of the most comprehensive recycling services in the UK which includes the following items:
- Food waste
 - Plastic bottles, pots, tubs and trays
 - Glass
 - Paper and cardboard
 - Aluminium and steel cans
 - Aerosols
 - Foil
 - Tetrapaks
 - Textiles
 - Batteries
 - Small electrical and electronic items
 - Spectacles/mobile phones/used engine oil.
- 2.3 To provide residents with additional recycling containers (lidded green boxes and lockable food waste containers) as required, to enable easy storage and collection of this material. To clearly mark the boxes so it is easy to understand what can be collected.
- 2.4 To phase out the current blue bag for cardboard over time, and replace with a recycling box to help with storage and collection for residents.
- 2.5 To continue with the opt-in fortnightly garden waste recycling service.

- 2.6 To collect the small amount of non-recyclable waste that remains after all of these materials are recycled, every other week (detailed in section 6) in containers provided by the Council.
- 2.7 To issue residents with a wheeled bin (at properties that can accommodate them), so that waste can be stored and presented safely for collection, whilst also being better protected from gulls and other scavengers to reduce problems with littering.
- 2.8 To issue all other properties (those which are unable to accommodate a wheeled bin, or are within an area deemed unsuitable for wheeled bins) with reusable, durable and pest-proof rubbish bags (where practical) to help reduce street litter.
- 2.9 To agree that the default size for wheeled bins should be 140 litres, whilst recognising that a 'one size fits all' approach is not possible in a diverse district with a multitude of housing types, and to therefore instruct the Divisional Director of Environmental Services to work up alternative proposals that will enable households with larger families/ occupancies to request a larger bin, with the details and criteria of the scheme to be delegated to the Divisional Director of Environmental Service in consultation with the Cabinet member for Community Services.
- 2.10 To delegate and instruct the Divisional Director of Environmental Services in consultation with the Cabinet member for Community Services, to enter negotiations for a short term extension (up to 2 years) to the recycling contract with Kier (pending site consolidation for the refuse and recycling services) - subject to agreement on the financial and staffing arrangements. Failing this agreement, the Divisional Director of Environmental Services are instructed to make arrangements to bring the kerbside recycling service in-house.
- 2.11 The Divisional Director of Environmental Services to carry out further detailed work into vehicle & plant replacement on the recommended option, and to report back to Cabinet members to enable decisions to be taken to release the capital required.
- 2.12 To agree a neutral budget movement through implementation of strategic review proposals initially highlighted within the Place Directorate Plan in November 2015 as detailed in section 3.

3 RESOURCE IMPLICATIONS (FINANCE, PROPERTY, PEOPLE)

- 3.1 Full technical and financial modelling has been completed on the service design options set out in this report to produce indicative costs, including capital costs and Service Supported Borrowing recharges. This has been done against existing budgets for a 2017/18 forecast position.
- 3.2 High level modelling was carried out against a large range of different collection options, which were then narrowed to down to 4 options which most closely meet the Council's objectives.
- 3.3 The figures reported are based on a modelling assumption that all services are co-located at a site in Keynsham and that all services are delivered in-house by the same provider. Although there is also the potential to out-source the refuse & recycling service at a future date, a full OJEU compliant procurement would need to be undertaken to determine the actual cost of this. Proposals on future service

delivery options using one provider (either in-house or externalisation) will be considered by the Council in due course for implementation when the services have co-located.

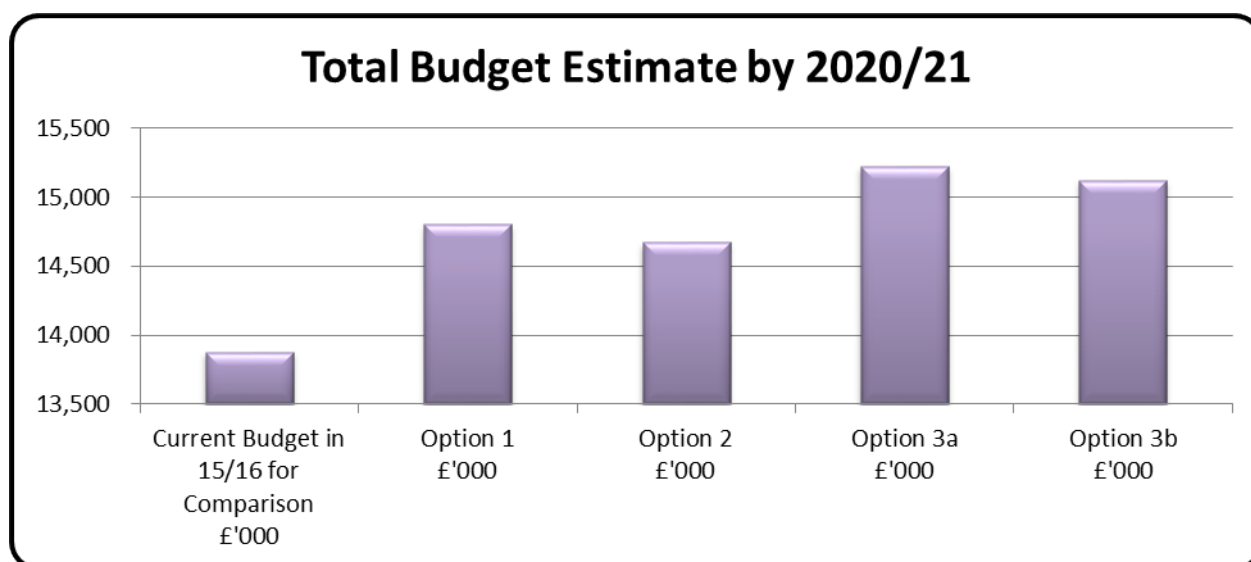
- 3.4 The modelling, at this stage has been provided by the waste consultants WYG and has been applied against the existing B&NES budgets forecasted to 2020/21 to establish comparative costs under each of the options. The revenue impact of the modelled options is shown below:

Budget Movement	Option 1 (non-recyclable collections every other week) £'000	Option 2 (non-recyclable collections every 3 weeks) £'000	Option 3a (current service) £'000	Option 3b (weekly non-recyclable collections weekly limited to 2 bags) £'000
Current 16/17 Total Budget*	13,881	13,881	13,881	13,881
Total Budget by 2020/21	14,804	14,673	15,225	15,124

* This current total budget figure is the existing total cost for 2016/17. The current budget includes the £450k per annum of grant funding.

The growth shown by 2020/21 includes housing growth, service delivery change, asset acquisition and the end of the £450k per annum grant funding.

- 3.5 Graphically the modelling shows a budget growth against current budgets by 2020/21 for several options as shown below:



- 3.6 The total budget by 2020/21 is a forecast position with assumptions built in around inflation of current service costs, including housing growth, and service supported borrowing costs from 2017/18 on the basis of fleet replacements required – for which a decision around capital will need to be brought forward later during 2016/17.

- 3.7 In order that the budget remains unaffected by the end of the 'DCLG' funding, savings of £450k p.a. are required. This funding has been received over the last 4 years to ensure the continuation of weekly non-recyclable waste collections until 2017. Option 2 (3-weekly non-recyclable waste collection) is the nearest collection method in terms of budget and spending commitments.
- 3.8 All options require revenue budget growth predominantly due to impacts of housing growth, of which £88k relates to 2016/17 and is proposed in other reports to be managed through existing service budgets.
- 3.9 In order to mitigate the remaining growth in the waste budget it is recommended to adopt income generating proposals identified within the published Place Directorate Plan for 2017/18-2019/20. To include:
- £200k – Visitor Economy Improvements.
 - £60k – Film Office Commercial Focus and Income Generation.
 - £50k – BaNES Enterprise Agency / SME Workspace Management.
 - £750k – Heritage Services Business Plan Alignment.
 - £22.5k – Increase Homesearch Marketing Fees.
 - £85k – Income from Bath Casino.
 - £20k – Implementation from Spring Water Agreements.
- 3.10 These approved budget variations will be incorporated into the budget proposed for Council in February 2017.
- 3.11 For reference, the table below shows the estimated cost per household for each of the options over the years to 2020/21:

	2015/16 £/hh	2016/17 £/hh	2017/18 £/hh	2018/19 £/hh	2019/20 £/hh	2020/21 £/hh
Option 1 (recommended)	187.26	176.89	175.08	190.68	189.56	187.47
Option 2 (3 weekly)	187.26	176.89	173.40	189.41	188.14	185.81
Option 3a (as now)	187.26	176.89	182.27	196.21	195.17	192.80
Option 3b (limit sacks)	187.26	176.89	181.23	194.93	193.85	191.52

4 STATUTORY CONSIDERATIONS AND BASIS FOR PROPOSAL

- 4.1 The UK has a statutory obligation to recycle 50% of its waste by 2020. EU legislation currently being proposed details a statutory recycling rate of 65% by 2030.
- 4.2 It is more expensive for the Council to collect and dispose of waste than it is to collect and recycle waste. Current methods of waste collection do not encourage residents to maximise recycling, and contribute negatively to street cleansing issues. In the current financial climate, with the ending of central government funding subsidising our collection service, the Council must assess alternative

options to keep the service affordable, and to meet objectives to recycle as much waste as possible whilst reducing litter on our streets.

5 THE REPORT

5.1 The Council's adopted waste strategy 'Towards Zero Waste 2020' (adopted 2005, reviewed and republished in 2014) has the following key aims:-

- Improve the service we offer
- Keep the costs of waste and recycling down
- Help our residents to prevent waste and to reduce the amount of waste that is produced in our area
- Continue the progress made on recycling and increase the proportion of waste recycled

5.2 In addition, a key action within the strategy that relates specifically to the issue of service redesign states;

Action	Evaluate collection methodology to limit volumes of waste collected
<p>We will review our waste collection policies to ensure that we are maximising the amount of waste we recycle and are using the most appropriate systems for local communities. This will include looking at the types of containers we use, the volumes of waste we pick up, the frequency of our collection services and the impact collecting waste and recycling has on our streets.</p>	

5.3 The Council has further considered key priorities regarding waste collection which need to be taken account of, these are;

- a) to increase recycling rates (and reduce disposal costs)
- b) to improve the street scene and reduce litter
- c) to keep the waste collection service affordable - recognising the impact the reduction in the DCLG grant of £450k pa will have alongside the end of the term recycling contract in 2017.

5.4 These key priorities further support the Council's Gull Strategy which seeks to:

- reduce the quantity of edible waste accessible by gulls and other scavengers;
- maximise the proportion of waste that is recycled, reused or composted and minimise the proportion of waste, particularly food waste that is sent to landfill; and
- minimise the impact of waste collection arrangements on the neighbourhood environment

5.5 The Council commissioned a comprehensive review of waste & recycling collection options with consultants WYG, considering many models of delivery in place throughout the UK. The options were subsequently narrowed down to those which most closely meet the Council's objectives.

5.6 These remaining options all retain weekly recycling, weekly food waste and fortnightly garden waste recycling, as now and are detailed in 5.9

5.7 If residents use the recycling service to its maximum potential in accordance with the Council's adopted Waste Strategy, then each household should generate very little black bag waste remaining for collection. Determining the most cost effective method of collecting this remaining waste in accordance with objectives can then be determined.

5.8 Options researched in detail:

Option	Weekly	Every 2 weeks	Every 3 weeks
1 (recommended)	Food Waste All recycling (green boxes) * ***	Garden Waste (chargeable) Rubbish in 140litre wheeled bin **	
2	Food Waste Recycling* ***	Garden waste (chargeable)	Rubbish in 180 litre wheeled bin **
3A	Food Waste Recycling Unlimited rubbish in black sacks	Garden waste (chargeable)	
3B	Food Waste Recycling Rubbish in black sacks limited to 2	Garden waste (chargeable)	

*Additional recycling boxes with lids, clearly labelled to be provided

** Where wheeled bins are not suitable then re-useable rubbish bags will be given free where practical.

***Blue bags for cardboard to be phased out when existing stocks are used, to be replaced with recycling boxes.

5.9 However, more detailed analysis of options 3A and 3B demonstrated that these options will not fulfil the objectives within the Waste Strategy. Options 1 or 2 are the only viable options that are likely to achieve these objectives.

5.10 With options 1 & 2, the small amount of non-recyclable household waste that remains would be collected either every other week, or on a three weekly basis.

5.11 Alternate week collections of non-recyclable rubbish, are a tried and tested method, with 69% of all local authorities in the UK successfully operating this model, including all of our neighbouring authorities (Wiltshire, Somerset, South Gloucestershire, North Somerset and Bristol). Reducing the frequency of non-recyclable collections and restricting container capacity is an established proven method to encourage higher levels of recycling.

5.12 The use of wheeled bins collected every other week is the most established method of efficiently & safely collecting the small amount of non-recyclable waste that is left once the extensive recycling services have been fully utilised.

5.13 Evidence from around the country suggests that the public are supportive of this type of collection service as levels of customer satisfaction remain high. Appendix 1B details Customer Satisfaction from services in Surrey (as one example studied)

who operate a non-recyclable waste collection every other week. The figures show that Surrey residents currently report satisfaction levels of between 90% - 95%.

- 5.14 Appendix 1B sets out the evidence from our own Voicebox survey carried out in 2014, which shows that 86% of residents could more than adequately cope with their non-recyclable waste being collected every other week. Appendix 1 C details the composition of waste in our bins and shows the amount of waste that could still be recycled through our weekly service.
- 5.15 Option 2 (3 weekly collections of non-recyclable waste) has been introduced in 9 local authorities to date and is being trialled in various areas of the country (including parts of Somerset). It does achieve the best financial position but it is not wholly proven or well established and therefore may not be as popular with residents.
- 5.16 All options require significant capital investment in vehicles and containers, as the current fleet is reaching the end of its efficient operating life. A minimum 9 months lead in is required to procure and mobilise a new refuse & recycling fleet as these are made to order and are not readily available to the specification required.
- 5.17 A decision on service design and delivery is required by July 2016. Sufficient time is needed to negotiate any short term extension to the Kier contract, or to begin an in-sourcing of the service. The deadline for agreement of an extension to the contract is the end of October 2016.
- 5.18 When the refuse & recycling services are consolidated on the same site in future years (subject to decisions taken on this), then this presents the opportunity to realise revenue savings by having one organisation run both services. This is unlikely to happen until 2019 at the earliest.

6 RATIONALE

- 6.1 The rationale for the recommendations is included in Section 5 above.
- 6.2 A survey of all households in the district has highlighted that 75% of properties currently on a sack collection would be suitable for wheeled bins (Appendix 1A). Further work is needed to assess the best solution for the remaining 25% of properties. For many of these reusable rubbish bags will present the best option. It is recognised that no one size fits all approach will work across the district however and variations will be necessary for specific situations.
- 6.3 A recent composition analysis of black bags within the district shows that on average 58% of the rubbish contained in them could still be recycled, demonstrating that there is still large potential for residents to recycle more use our existing recycling service to its full extent.

7 OTHER OPTIONS CONSIDERED

- 7.1 Many options have been modelled at a high level, and these have been narrowed down to those that most closely fit the Council's objectives and local circumstances. More detailed modelling has been carried out on the options identified in the report.

7.2 Other delivery options have been assessed however the most viable, cost effective options deemed to deliver within required timescales, are those described in the recommendations.

8 CONSULTATION

8.1 The Council's Monitoring Officer, Section 151 Officer, Chief Executive and Cabinet Members have been consulted and have had opportunity to review & input into the recommendations.

9 RISK MANAGEMENT

9.1 A risk assessment related to the issue and recommendations has been undertaken, in compliance with the Council's decision making risk management guidance.

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Background papers	http://www.bathnes.gov.uk/services/bins-rubbish-and-recycling/waste-strategy-statistics-and-health-safety/waste-strategy Towards Zero Waste 2020 – The Council's adopted waste strategy – 2014 update https://democracy.bathnes.gov.uk/ieDecisionDetails.aspx?AllId=8032 - Cabinet report 10 th October 2012 Cabinet decision, DCLG Weekly Collection Support Fund, decision to submit bid to allow weekly collections to be retained until 2016/17. http://www.wastedataflow.org DEFRA waste statistics – waste dataflow
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