
REPORT TO:	ENVIRONMENTAL & DEVELOPMENT SERVICES	AGENDA ITEM: 12
DATE OF MEETING:	23rd JANUARY 2020	CATEGORY:
REPORT FROM:	STRATEGIC DIRECTOR SERVICE DELIVERY	OPEN
MEMBERS' CONTACT POINT:	ADRIAN LOWERY, 5764 adrian.lowery@southderbyshire.gov.uk	DOC:
SUBJECT:	WASTE COLLECTION SERVICES REVIEW	
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE: (See Notes)

1.0 Recommendations

- 1.1 That the Council undertake a full review of Waste Collection Services considering current and potential service delivery standards and service delivery models.
- 1.2 That a member workshop is held to help inform and shape the design of the service and establish a service specification.
- 1.3 That Eunomia be commissioned to assist in the review and deliver the members workshop.
- 1.4 The outcome of the Waste Collection Services Review be the subject of a further report to Environment and Development Services Committee.

2.0 Purpose of the Report

- 2.1 To establish a project to review all waste collection services.
- 2.2 To detail the resource requirements for the project.
- 2.3 To establish the requirement and terms of reference for a member workshop to help shape future service standards and delivery models.

3.0 Detail

- 3.1 The Council's kerbside recycling collection and compost disposal contracts are due to expire in October 2021, further to this it has been over ten years since a full review of waste collection services was undertaken. The current legislative and commercial environment presents an ideal opportunity for the Council to undertake a full review of all waste collection services and any potential service delivery models.
- 3.2 Over the last decade, the policy framework in England has lacked strong drivers for increasing local authority recycling performance. At a national level, this has contributed to a lack of progress in improving recycling collections and associated

English recycling rates in recent years, meaning that the UK is likely to miss the 2020 50% recycling target. However, this looks set to change quite dramatically as a result of the Government's Resources and Waste Strategy. This is likely to lead to significant changes in how waste is managed over the next few years.

- 3.3 The Committee received a report in March 2019 which summarised the key aspects of the Strategy which include; proposals for the reduction in and disposal of single use plastics; extending producer responsibility schemes to make producers responsible for the full net costs of managing their products at end of life; incentives for producers to design products with reuse and recycling in mind with those making their products easier to recycle paying less and proposals to standardise recycling schemes and introduce separate weekly food waste collections. All of these proposals, if implemented, will have significant implications for local authorities' waste services.
- 3.4 The revisions to the EU Waste Framework Directive include 'legally binding' recycling targets for municipal waste of:
- 55% by 2025
 - 60% by 2030
 - 65% by 2035
- 3.5 The UK government has indicated it will be adopting the revisions and the Resource and Waste Strategy is expected to at least set targets for municipal waste equivalent to these at a national level.
- 3.6 Currently, the Council, along with most Council's in Derbyshire, is unlikely to meet the 2020 target irrespective of any short-term measures that may be implemented. The outturn recycling rate for 2018/19 was 49%. Possible short-term measures to improve performance up until new service delivery arrangements are put in place beyond the existing contract term could include a door-to-door promotional campaign to encourage participation and to reduce contamination and/or changes to reduce some residual collections including removal of the Saturday freighter service.
- 3.7 Given that the current recycling and composting contracts expire in October 2021 and that most of the Government's initiatives from the Environment Act will not be implemented until around 2023, it may be prudent for the Council to consider a short-term extension to the current arrangements, accepting a short-term lack of step change improvement to ensure that all long-term solutions can be fully explored.
- 3.8 The Waste and Resources Action Programme (WRAP) a National Charity established in 2000 to promote sustainable waste management, recently commissioned Eunomia to identify joint working and shared cost/benefit opportunities for waste services in Derbyshire. Whilst most of the joint working options suggested in the study have logistical difficulties due to conflicting contract/procurement termination and commencement dates for waste collection services in Derbyshire, there still exist some options for South Derbyshire to explore joint working/procurement with either or both Chesterfield and Derby City regarding collection services.
- 3.9 Further to the above; opportunities also exist to explore joint cost/benefit sharing with Derbyshire County Council by introducing changes to service provision. The Head of Operational Services will explore these options to inform future plans.

- 3.10 The recent work undertaken by Eunomia on behalf of WRAP, across Derbyshire, identified a collection model, that whilst increasing collection costs delivered significant waste disposal cost savings, which if implemented could deliver a net saving to both Councils whilst also delivering an estimated performance figure of over 60% for South Derbyshire.
- 3.11 It is important that in moving towards achieving the likely recycling targets that all options are explored including service delivery options and service provision models. The range of options for both service delivery and provision is extremely varied and, in some cases, extremely complex.
- 3.12 A full report setting out a timetable for delivering a comprehensive waste collection service which will meet residents' needs and achieve the highest possible performance standards will be presented to a future Environmental and Development Services Committee.
- 3.13 The review will cover current performance and cost and propose service standards along with future service delivery options, which are technically, environmentally and economically practicable, for all the following services;
- Residual Waste including bulky waste and Saturday Freighter Service
 - Compost/food Waste
 - Recycling – kerbside and bring sites
 - Clinical and Hygiene Waste
 - Hazardous Waste
 - Commercial Waste
- 3.14 The Council's current service delivery model is a hybrid of direct in-house provision for some collections, out-sourced for some collections and processing and under direction of the County Council for some processing/disposal. The review will explore all potential service delivery models including direct in-house provision for all collection and processing, out-sourced for all services or a continuation of some form of hybrid.
- 3.15 The member workshop will consider the changes needed to current service standards and service delivery models to allow the Council to meet its statutory targets, minimise cost and maximise income potential, whilst meeting the needs of current and future legislation and customer needs.
- 3.16 It is proposed that the member workshop will be delivered by Eunomia. Eunomia has recently worked closely with Derbyshire Collection and Disposal Authorities and has a high level of analytical and operational expertise with a high degree of professional competence and efficiency within the Waste and Environment sectors. Given their recent work in Derbyshire they can respond quickly and effectively to the Council's needs.
- 3.17 Eunomia's clients include Waste management, energy generation and technology companies, utilities and financial institutions, central government, local authorities and regional bodies, The European Commission and Charities and third sector organisations with a remit covering environmental issues.
- 3.18 Eunomia can be commissioned quickly and directly under several procurement frameworks including the CCS RM6008 and ESPO 664-17 consultancy frameworks. These frameworks enable the Council to comply with EU procurement rules without the need for a costly, full-scale procurement process.

4.0 Financial Implications

- 4.1 Cost of external support – circa £20k, this sum will be funded from the provision in the medium-term financial plan for funding recycling services.
- 4.2 Long-term costs – uncertain at this point due to the changing legislative environment and need to move to a more risk sharing contract from the current fixed price.

5.0 Corporate Implications

Employment Implications

- 5.1 TUPE implications will exist if the incumbent contractor is unsuccessful in winning a new contract, which will require support from both Organisational Development and Performance and Legal and Democratic Services.

Legal Implications

- 5.2 Failure to comply with The Waste (England and Wales) (Amendment) Regulations 2012 could lead to intervention from the Environment Agency, however, no direct guidance on compliance has been issued and there is no relevant case law; as such each Local authority is required to satisfy themselves that they are compliant.
- 5.3 Compliance with procurement legislation. The UK currently operates under EU procurement rules and the Council will have to assume that the contract will be let under these terms until such time as it is advised otherwise.
- 5.4 Compliance with the new Environment Act. This is an ever-moving position the Environment Act has received its second reading, with no date currently set for the next stage. It is highly likely that the approval of the new Act will take place during the term of this project and will need to be considered in respect of setting any service specification and/or contract conditions.

Corporate Plan Implications

- 5.5 The current Corporate Plan is committed to increasing recycling and reducing waste collected and as a significant Environmental focus, any changes to service provision will primarily focus on the practicable delivery of these aims.
- 5.6 The Corporate Plan 2020 – 2024 as two Key performance indicators one to reduce the kilograms of waste collected per head of population and the other to increase the percentage of waste recycled or composted.

Risk Impact

- 5.7 Risks and opportunities will form a significant element of the service review and will be detailed in the future report.

6.0 Community Impact

Consultation

- 6.1 Any new service standards or delivery models will not commence until the current Community Strategy has expired in 2021, however, this project should help to inform on any future Community Strategy outcomes.

Equality and Diversity Impact

- 6.2 To include as part of the review and in any service standard design.

Social Value Impact

- 6.3 To include as part of the review and in any service standard design.

Environmental Sustainability

- 6.4 To include as part of the review and in any service standard design.