

REPORT TO:	FINANCE AND MANAGEMENT COMMITTEE	AGENDA ITEM: 11
DATE OF MEETING:	30th NOVEMBER 2017	CATEGORY: RECOMMENDED
REPORT FROM:	INTERIM STRATEGIC DIRECTOR	OPEN
MEMBERS' CONTACT POINT:	ADRIAN LOWERY, EXT. 5764	DOC:
SUBJECT:	REFUSE COLLECTION RESOURCES	REF:
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

1.0 Recommendations

- 1.1 Committee is recommended to approve the establishment of one additional refuse driver/chargehand post, three additional refuse loader posts and two clinical driver posts.
- 1.2 Committee is recommended to increase the Council's vehicle fleet by one additional 26t refuse collection vehicle and one 7.5t refuse collection vehicle, to be covered by retaining one current vehicle and hiring an appropriate vehicle until new replacements can be purchased in 2019/20.
- 1.3 Committee is recommended to continue to provide the bulky waste collections and bin deliveries services in house.

2.0 Purpose of Report

- 2.1 Committee is being asked to consider additional staffing and vehicle resources to enable our residual (black bin) and organic (brown bin) waste collections to continue to absorb the growth within the District and to reduce the current reliance on overtime payments, agency workers and hire vehicles.
- 2.2 Committee is also asked to consider continuing to provide the bulky waste collections and bin deliveries services in house.

3.0 Detail

- 3.1 The number of household collections has grown by around 3,400 households since 2014. We currently collect from approximately 47,435 households/commercial properties.
- 3.2 A standard 26 tonne refuse collection vehicle with driver and two loaders can accommodate an average of 5,526 properties per week, assuming a 95% presentation rate. Undertaking two loads per day and ensuring vehicles do not become illegally overloaded.

- 3.3 We currently operate seven full crews averaging 5,662 properties per week each, assuming a presentation rate of 95%, and one part crew collecting the equivalent of 4,300 properties from a mixture of household and commercial collections.
- 3.4 In order to meet this increase we have reorganised collection rounds on a number of occasions and are now utilising spare vehicles and staff to minimise the collections for crews. We do not have sufficient capacity to meet any future growth and have recently had to abort some commercial collections due to insufficient resources.
- 3.5 We are utilising agency workers daily to meet service demands at a cost of approximately £100,000 per year. We are also averaging around 49 hours overtime per week at an annual cost of around £36,700.
- 3.6 The nature of the service dictates that there will always be some need for agency cover and some overtime for the Saturday Freighter Service and Bank Holiday collections, however this should be in the region of around £29,489 per year.
- 3.6 An additional collection crew will give us capacity to collect from a further 5,526 properties per week. This will increase both our household capacity and our commercial capacity.
- 3.7 We intend to operate nine full crews collecting from an average of 5,007 properties per week, giving us spare capacity to absorb a further 4,671 properties.
- 3.8 Further to the above we operate one vehicle with driver making clinical / special waste collections and servicing difficult access properties. We also operate a small vehicle with a driver and loader to collect bulky household waste and undertake new / replacement bin deliveries, this service was previously undertaken by an external contractor at a cost of around £37,877 per year, and is currently resourced by agency staff and a hire vehicle.
- 3.9 Due to the recent purchase of a significant number of new vehicles, the vehicle reserve is currently insufficient to enable the purchase of the two further vehicles required. It is therefore proposed to retain one 26 tonne vehicle which would have been disposed of for a further year at which point a new vehicle will need to be purchased and to hire an appropriate 7.5 tonne vehicle until we can purchase in 2019/20

4.0 Financial Implications

- 4.1 The table below shows the current establishment costs against the proposed establishment.

CURRENT			BUDGET		PROPOSED		
		£		£			£
Routine collections	8 x Drivers 15 x Loaders	529,789		527,537	Routine collections	9 x Drivers 18 x Loaders	621,045
Clinical and bulky	1 x Clinical Driver	21,494		21,494	Clinical and bulky	3 x Clinical Drivers	66,753
Spare	3 x Drivers 3 x Loaders	136,725		136,725	Spare	3 x Drivers 3 x Loaders	136,725
Professional Fees		5,000		35,000	Professional Fees		0
Agency		100,000		24,480	Agency		49,062
Overtime		48,470		31,280	Overtime		29,489
		841,478		776,516			903,074

- 4.2 The forecasted staffing costs versus budgeted staffing costs are expected to be adverse by £94,962 during 2017/18. Vehicle hire is also expected to be adverse against the base budget by £96,000. There will be a saving on Professional Fees of £30,000 by collecting bulky waste in-house.

Comparison to base budget

- 4.3 This proposal will increase staff, agency and overtime costs in the General Fund adding approximately £126,558 to the current base budget. The ongoing additional cost can be contained within the contingent growth provision of £200,000.
- 4.4 In addition there is an earmarked reserve from 2016/17 containing £300,000 to cover future growth. The growth provision increases to £372,000 in 2019/20 and continues to increase each year thereafter.
- 4.5 The cost of vehicle hire for bulky collections is approximately £15,000 per annum which will continue until a new 7.5 tonne vehicle is purchased in 2019/20. This vehicle is estimated to cost around £60,000 from capital reserves but will have minimal additional revenue costs due to the fact that we currently repair and provide fuel for all hire vehicles.
- 4.6 In summary, the overspend in the current year plus the additional ongoing costs included within the report can be contained within provisions set aside for growth.

5.0 Corporate Implications

- 5.1 Legal implications – the Council is a designated Waste collection Authority and have a statutory duty to arrange for the collection of household waste. The Council has a licence to operate Large Goods Vehicles and there is a risk that the Council could lose this license if it contravenes the requirement to ensure that vehicles are not overloaded.
- 5.2 Employment Implications – we will create six additional local jobs. Balanced collection rounds and less reliance on unplanned overtime will improve the work life balance of employees. Sufficient staff resources will need to be allocated from Human Resources and Direct Services to undertake the recruitment process.

6.0 Community Implications

- 6.1 Increase in the number of local jobs available for local people.