

Title of report: Waste Management Review – Waste Collection

Meeting: Cabinet

Meeting date: Thursday 25 November 2021

Report by: Cabinet member commissioning, procurement and assets;

Classification

Open

This report is open but Appendix 7 is exempt by virtue of the following paragraph(s) of the Access to Information Procedure Rules set out in the constitution pursuant to Schedule 12A of the Local Government Act 1972, as amended:

3 - Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

Further to the adoption of the Council's new Integrated Waste Management Strategy in July 2021 and subsequent planning for additional commissioning this report seeks to agree the council's preferred waste collection arrangements necessary to implement the strategy.

The council's Waste Management contracts for the collection service and the disposal service are due to expire in 2023 and 2024. The council launched a waste collection consultation with the public in December 2020 following recommendations from the waste task and finish group in September 2020 and in response to expected changes in national legislation. With the consultation concluded, the council will set out its preferred future operating model with a view to procuring the future collection and disposal contracts over the next three years.

Recommendation(s)

That:

- a) **The Council supports residents to increase recycling by adopting the new waste collection model as outlined in this report with a view to being fully operational in November 2023. This includes:**
 - a. **The introduction of a new two weekly garden waste collection service;**
 - b. **The introduction of a new weekly food collection service;**
 - c. **The adoption of a twin stream recycling service to enable residents to further segregate recyclable materials and;**
 - d. **To adopt a three weekly residual collection model.**
- b) **A further report is brought back to Cabinet in July 2022 outlining the capital costs that it will be recommended are added to the council's 2022/23 capital programme to ensure successful implementation of the preferred model in terms of fleet, waste containers, equipment and depot alterations;**
- c) **A further report is brought back to cabinet in July 2022 detailing service specification and seeking permission to commence the tendering process for the new service**
- d) **Authority is delegated to the Section 151 Officer to take all operational decisions to implement the above recommendations**

Alternative options

1. Do nothing - This is not an option as the current waste collection arrangements are due to expire in November 2023 and there is no further extension option available. The waste collection and disposal services are statutory services that the council has to provide so therefore it is not an option to do nothing.
2. Re-procure the existing operating model – A review process looked at different systems for collecting household waste and concluded that this is not an option in meeting the council's Integrated Waste Management Strategy. Significant changes to government waste policy are also expected increasing segregation of waste streams and to introduce weekly food waste collection services. This requires a change to our current operating model.
3. An independent review was also undertaken by SLR consulting to consider whether to bring the service back in-house, whether to move the service to a local authority arms-length trading company or whether to continue to procure the service from the market. The review concluded that the most effective and efficient option was to continue to procure the service from the market (Appendix 7 - Exempt).

Key considerations

Background

4. Our existing waste collection arrangements are due to expire in November 2023. There is no further extension option for the Waste Collection Contract.
5. In order to assess the comparative costs and anticipated performance of different waste collection options Frith Resource Management (FRM) were commissioned to undertake a waste collection services review in July 2019. The full report from this review can be seen in Appendix 1.
6. General Scrutiny Committee formed a cross party Waste Task and Finish group in 2020 to review the waste management collection service across Herefordshire. Through a process of evidence & information gathering, considering the FRM review, learning from the experience of others and considering the needs and aspirations of the council the group considered what the objectives for future improvements should be and different options for providing the service in future. The findings of this group can be seen in Appendix 2.
7. The General Scrutiny Committee considered the Task and Finish Group's report on the waste management strategic review on 28 September 2020 and the Executive Response was approved by Council in April 2021(Appendix 5).

General Scrutiny Committee recommended that a public consultation exercise was undertaken on the following two collection models:

Option 1 - Three weekly residual collection with twin stream recycling as detailed below.

Container Type	Material Type	Collection Frequency
Green 240 Litre wheeled bin	Plastic (pots, tubs, trays & bottles) Glass (bottles and jars), Metals (tins & cans)	Once every three weeks
Black with blue lid 240 Litre wheeled bin	All paper & cardboard	Once every three weeks
Black 180 Litre wheeled bin	General non-recyclable waste	Once every three weeks
Brown 240 Litre wheeled bin	Garden waste	Fortnightly collection. Potential charge for opt in service
23 Litre caddy (including liners)	Food Waste	Weekly collection

Option 2 – Kerbside sort collection

Container Type	Material Type	Collection Frequency
Green 55 Litre box	Glass (bottles and jars),	Weekly collection
Red 55 Litre box	Metals (tins & cans) and plastics (pots, tubs, trays & bottles)	Weekly collection
Blue 55 Litre box	All Paper and cardboard	Weekly collection
Black 180 Litre wheeled bin	General non-recyclable waste	Once every two weeks
Brown 240 Litre wheeled bin	Garden waste	Fortnightly collection. Potential charge for opt in service

23 Litre caddy (including liners)	Food Waste	Weekly collection
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8. Following the Council's declaration of a Climate Emergency, which has since been strengthened as a Climate & Ecological Emergency, FRM were commissioned to undertake a Carbon Modelling Report.
9. This report concluded that setting aside the current service, which is not compliant with the future legislative changes, that the best alternative option is the three weekly, twin stream recycling service due to lower transport emissions and higher recycling. The full report can be seen in Appendix 3.

Public Consultation

10. Between December 2020 and February 2021 MEL Research undertook a public consultation exercise on the two proposed collection service options for both Public and Business Users. The consultation was promoted on the council website, social media pages, print media publications and emails were sent to a representative sample of residents with telephone surveys and postal surveys also available. Trade and non-trade waste customers were sent an email to take part in the business survey.
11. Overall, 3,498 residents and 181 businesses provided feedback. The full consultation report can be seen as Appendix 4.
12. Residents were asked to consider the two alternative options (as set out in para 7) that would meet the needs of the then emergent Integrated Waste Management Strategy.
13. Option 1 was supported by a majority of consultee respondents, 53% as against 47% of respondents who favoured option 2.
14. Through the consultation residents told us that "more needs to be done to reduce rubbish and increase recycling (86% agreed with this) and that they "accept the need to change the current rubbish and recycling system" (60% agreed with this).
15. Specifically, 56% of residents said that they would use a separate food waste collection service. Just over a third of residents did have concerns about hygiene and attracting pests. In listening to these concerns it is proposed to provide residents with liners for the food caddies and clear information on how to prevent problems with pests. Just under a fifth of residents felt they would not want to use the proposed separate food waste service because they did not produce enough food waste.
16. Through the consultation business user respondents of the Herefordshire Commercial waste service told us they were looking for more opportunities to recycle food waste (48%), plastic film (34%), paper (25%), thin card (22%) and corrugated card (22%). The findings of the Business consultation will be carried forward through the Integrated Waste Management Strategy Action Plan.

Herefordshire's Integrated Waste Management Strategy

17. In February 2021 the council approved total expenditure of up to £821,000 to resource and implement the outcome of the waste review. This included the creation of a temporary new Waste Transformation team to carry out the necessary work to design, procure and implement the changes as set out in this report in addition to reviewing and implementing the waste disposal arrangements. This decision can be viewed here:

- <https://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=7589>.

18. Following the adoption of the Integrated Waste Management Strategy in July 2021, SLR consulting were appointed to review and validate the approach to both waste collection and waste disposal undertaken to date. SLR were also asked to examine how best to commission the waste collection service, either by bringing it in house, moving it into an Local Authority Arms-Length Trading Company or re-procuring the service from the market, as happens now. SLR recommended that Herefordshire re-procure the service from the market. Their report contains information that is commercially sensitive and is available as an Exempt item (Appendix 7)

Community impact

19. Whenever changes are made to a universal waste collection service residents will need clear information and time to prepare and adapt to the change. A comprehensive communications strategy and dedicated communication resources will be prepared to support residents in making good reduce, reuse and recycle choices to drive recycling to even higher levels.
20. The Equalities Impact Assessment detailed later in this report considers the needs of various groups with protected characteristics.
21. All residents will receive the core service of twin stream recycling with residual collection and a separate food waste collection. Special consideration will also be given to people in smaller property's that have small gardens or no gardens at all. Subject to the final legislative detail, they will be able to opt out of this service. However, putting garden waste in other bins because they have chosen not to have a garden waste bin will not be an option.
22. Special consideration will also be given to people living in flats and a project within the Herefordshire Integrated Waste Management Strategy Action Plan will work with landlords, residents groups and owner occupiers of flats to develop, as far as is possible, a differentiated service (or services) for them.
23. The proposed recommendations in conjunction with the accompanying 'Waste Management Review – Waste Disposal' report seek to implement the new Integrated Waste Management Strategy which will have a positive impact on contributing towards local and regional strategy priorities, targets and legislation.
24. The County Plan (2020-24) priorities are:
 - Protect and enhance our environment and keep Herefordshire a great place to live
 - Minimise waste and increase reuse, repair and recycling
 - Build understanding and support for sustainable living
 - Invest in low carbon projects
 - Identify climate change action in all aspects of council operation
 - Support the an economy which builds on the county's strengths and resources;
 - Seek strong stewardship of the county's natural resource
 - Develop environmentally sound infrastructure that attracts investment
 - Support an economy which builds on the county's strengths and resources and spend public money in the local economy wherever possible

Environmental Impact

25. The council seeks to treat waste as a resource, supporting a more circular economy for Herefordshire reducing, reusing and recycling materials so that they stay in use for longer, offsetting use of raw materials and reducing carbon emissions.
26. Frith Resource Management (FRM) were asked to model the carbon impact of the different collections options. The recommended collection model is predicted to result in the highest carbon savings and the highest recycling rate. Their report is at Appendix 3.
27. Further consideration to minimise the environmental impact of the service will be integral to service design of the preferred waste management service. Future commissioning will include requirements on the contractor to minimise waste, reduce energy and carbon emissions.
28. Contamination created by putting items in the wrong bin damages the environment and significantly impacts recycling levels and income. Contamination can mean an entire load of collected recyclates has to be rejected including those of residents who have placed items in the correct bins. As happens now, the service will work closely with residents to help them put recycling in the correct bins. Where residents persistently ignore the advice and guidance provided over a period of time then reluctantly crews will not collect waste until the bin is presented with contaminated objects removed. A communications campaign over the next twelve months will provide residents with clear information to help them recycle items correctly.
29. FRM have analysed the potential increased recycling level for the new service and would expect it to increase from the present level of around 40% to 63%. Working with residents to reduce and reuse more and the anticipated extended producer responsibility legislation which will bring changes to how goods are packaged has the potential to drive this higher.
30. As part of the public consultation in February 2021, 86% of residents agreed that more needs to be done to reduce rubbish and to increase recycling. The proposed operating model represents a huge step forward to enable residents to achieve this.
31. The environmental impact of the different waste collection options have been fundamental to the review and the proposed operating model will:
 - significantly increase recycling levels – from ~40% to 63%
 - significantly increase recycling quality
 - and will have a strong focus on re-use to ensure items are in use for longer, reducing waste and offsetting the use of raw materials and reducing carbon emissions.

Equality duty

32. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to-

 - a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

33. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services.
34. In line with the council's Equality Act 2010 duties, an extensive public consultation exercise was undertaken in order to both understand residents' preferred waste collection model and also to better understand any comments and concerns that could arise through the service design. The full report is available in Appendix 4 and an Equalities Impact Assessment has been undertaken as part of the review and can be seen in Appendix 6.
35. The current waste collection service provides additional capacity to larger families, residents with medical needs and also families with young children. This additional support will continue to be offered as part of the new operating model.

Resource implications

36. The council currently spends £4m per annum on the current waste collection arrangement and £11m on the current waste disposal arrangements.
37. This does not however include the provision of a weekly food waste collection and fortnightly garden waste collection service which are anticipated to become a legal requirement as part of the Environment Bill which is due for consideration later this year.
38. As the additional costs for a weekly food waste collection service and a fortnightly garden waste collection service vary depending on the wider collection service model, to enable an accurate comparison the existing service model has been included with the costs of introducing these additional services.
39. Financial Modelling of the twin stream recycling collection option indicates that it will raise collection costs by circa £4m per annum, against this there will be substantial savings in disposal costs (circa £2.5m) and likely payments to the council under the emergent Producer Pays regime. The service design process will also seek to value engineer this cost pressure downwards.
40. The accompanying Cabinet report 'Waste Management Review – Waste Disposal is available here: <https://councillors.herefordshire.gov.uk/mgIssueHistoryHome.aspx?Id=50039499&Opt=0>
41. A business case will be developed for the provision of additional bins and food caddies estimated to be £3.8m capital plus implementation costs to deliver to residents homes. This will be included in a future cabinet report.
42. The re-procurement of the waste collection contract will be in compliance with the Public Contracts Regulations 2015 or any succeeding legislation and with of the assistance of the Commercial Service Team.

Legal implications

43. The council has statutory duties in relation to collection of waste as set out in section 45 of the Environmental Protection Act 1990 but there are no specific legal implications in relation to that duty arising from this report.
44. The agreed new waste collection model will inform the re-procurement of the waste collection contract at the appropriate time.

Risk management

45. Key risks and mitigation are kept under regular review by the project board and are summarised below.

Risk / opportunity	Mitigation
Public acceptance of new service	<p>Public consultation exercise identified that:</p> <ul style="list-style-type: none"> 86% of residents agreed that more needs to be done to reduce waste and to increase recycling 60% of residents accept the need for the council to change the current service The recommended option is the public's preferred option from the consultation exercise. <p>Notwithstanding the consultation response a comprehensive communications campaign will assist residents to prepare for the new service followed by a period of Hypercare when the service goes live. Specific attention will be given to how the service can be delivered to residents living in flats.</p>
Not enough time to complete required work and to commission and mobilise the new service	Creation of new Waste Transformation Team within the Capital Programme Office as approved in Feb 2021 to focus on delivery of Herefordshire's Integrated Waste Management Strategy and enabling the Waste Service to focus on Business as Usual (BAU).
Lack of planning for the new service	The Waste Transformation Service are supported by Project Management Expertise from the Programme Management Office and have authority to commission specialist expertise when this would enhance in-house capabilities.
Service not compliant with legislation changes expected from Central Government	The future commissioning and contracting process will ensure any changes in government legislation can be incorporated. Here any future changes would require a subsequent decision.
Not Achieving Value for Money	A robust procurement and contract management process will deliver best value for money.

Consultees

46. The following consultation has taken place:

Consultation	Date	Feedback
Waste Management Services Review Project Board	Monthly meetings in 2019- 2021	Lead the development of the recommendations through the process.
General Scrutiny Committee	28 Sept. 2020	Recommendations and the Executive Response are detailed in Appendix 5

Waste Services Task & Finish Group meeting prior to public consultation	2 Dec. 2020	Support and comments which were included in the consultation documents
All member briefing prior to public consultation	2 Dec. 2020	Support and comments which were included in the consultation documents
Public Consultation	Dec. 2020 – Feb. 2021	Full consultation report included as Appendix 4
Management Board	26 Oct 2021	Support and comments included
Political Briefing with the cabinet member for Commissioning, Procurement and Assets	11 Nov. 2021	Members asked for clarification over how the move to a three week collection service will impact families with babies and young children.
Political groups consultation on a key decision	2-16 Nov. 2021	<p>The following comments were highlighted which have been considered in the reports and will be included into the future service design and communications strategy:</p> <ul style="list-style-type: none"> • The importance of the unified waste strategy to consider both waste collection and waste disposal together. • The need for a complimentary education programme that guides residents as to how they should dispose of any waste that cannot be reused or recycled. • The need for clear publicity and an explanation of the changes being driven by central government. • Highlighted that many houses do not have room for extra bins /boxes.

Appendices

- Appendix 1 – Waste Collection Options Assessment 2019
- Appendix 2 – Task and Finish Group Report Sept 2020
- Appendix 3 – Herefordshire Carbon Modelling Report
- Appendix 4 – Rubbish and Recycling Consultation Report 2020-21
- Appendix 5 – Executive Response to the Waste Management Task and Finish Group
- Appendix 6 - Equalities Impact Assessment for Waste Collection Options

- Appendix 7 – SLR Options Appraisal (Exempt)

Background papers

- None

Report Reviewers Used for appraising this report:

Please note this section must be completed before the report can be published		
Governance	Sarah Buffrey, Democratic Services Officer,	Date 04/11/2021
Finance	Josie Rushgrove, Head of Corporate Finance	Date 05/11/2021
Legal	Alice McAlpine, Senior Lawyer,	Date 05/11/2021
Communications	Luenne Featherstone, Strategic Communications Manager	Date 04/11/2021
Equality Duty	Carol Trachonitis, Head of Information Compliance and Equality	Date 05/11/2021
Risk	Paul Harris, Head of Corporate Performance	Date 05/11/2021
Approved by	Andrew Lovegrove, Chief Finance Officer and S151 Officer	Date 08/11/2021

Please include a glossary of terms, abbreviations and acronyms used in this report.