



**AGENDA ITEM (8)**

**FUNDING ALLOCATION FOR REVIEW AND MODELLING OF WASTE SERVICE OPTIONS**

<b>Accountable Members</b>	Councillor Sue Coakley Cabinet Member for Environment and Communities
<b>Accountable Officers</b>	Claire Locke Group Manager - Council Advisory Services 01285 623000 claire.locke@cotswold.gov.uk

<b>Purpose of Report</b>	To seek funding to enable specialist support to be secured for the review and modelling of waste service options to inform a future report to Members.
<b>Recommendation</b>	<b>That a sum of £20,000 be allocated from the Council Priorities Fund to secure specialist support for the review and modelling of waste service options.</b>
<b>Reason(s) for Recommendation</b>	To ensure that sufficient quality data is gathered on different waste service options, and the likely whole costs of those options, to enable the Council to make an informed decision on the future service design.

<b>Ward(s) Affected</b>	All
<b>Key Decision</b>	No
<b>Recommendation to Council</b>	No

<b>Financial Implications</b>	<p>This one-off revenue allocation of £20,000 would be met from the Council Priorities Fund. This expenditure should be considered against the context of designing a waste and cleansing service which costs around £4m/year to provide. In addition, this work is key to ensuring that the future recycling fleet, which will cost in the region of £1.68m (12 vehicles) to replace, is fit-for-purpose.</p> <p>The future cost implications of any service redesign and the options available will be presented to Cabinet and then Council in due course.</p>
<b>Legal and Human Rights Implications</b>	None
<b>Environmental and Sustainability Implications</b>	None - the environmental impacts, and notably the likely impact of any service changes on recycling rates, will be addressed in the future report on service design options.

<b>Human Resource Implications</b>	The consultant support will be procured and managed by the Joint Waste Team on behalf of the Council.
<b>Key Risks</b>	None
<b>Equalities Impact Assessment</b>	Not applicable to this report

<b>Related Decisions</b>	None
<b>Background Documents</b>	None
<b>Appendices</b>	None

<b>Performance Management Follow Up</b>	(i) Implement Cabinet decision(s). (ii) If approved, this project will be managed as a key task and performance reported quarterly.
<b>Options for Joint Working</b>	This project will support the objectives of the Joint Waste Committee to align waste services across Gloucestershire. Lessons learnt from recent waste service roll out in West Oxfordshire will be used to ensure risks are effectively managed.

## Background

- In August 2012, the Council transferred its waste and recycling collection services, grounds maintenance and street cleansing services to Ubico Limited. At the same time, the Council introduced a new kerbside plastic collection service to complement the refuse, recycling, food and garden waste services which already operated. New bespoke recycling collection vehicles were procured in 2012 to facilitate the kerbside sort recycling service.
- Most refuse collection vehicles have a life of around seven years, after which the cost to maintain and repair them becomes uneconomic and replacement is a better financial option. The recycling fleet is therefore due for replacement in 2019 and, already, repair costs are high due to the wear and tear on vehicles operating in such a large, predominantly rural, district.
- Replacement of fleet provides the opportunity to review and refine the design of services. Recycling performance in Cotswold District is good, and there is currently no particular demand to significantly change the service; however, an opportunity to include additional materials for recycling would obviously be beneficial.
- There is a wider need to change food waste collection. Food waste is currently collected comingled with garden waste and customers can tip their food waste caddies into their garden waste wheeled bin, if they subscribe to that service. Cotswold was the first district to collect food waste in Gloucestershire and is the only authority to collect food and garden waste comingled in this way. This collection method is affordable for the collection authority but is expensive for the disposal authority (Gloucestershire County Council (GCC)). Food waste which is collected separately goes to Anaerobic digestion at Wingmoor Farm, Bishops Cleeve where it is converted into biogas; however, the comingled product has to go to In-Vessel Composting as there are legal requirements that prevent garden waste that is contaminated with food waste being spread on open land, to prevent the spread of bacteria. The additional cost is estimated to be around £150,000/year for GCC.
- As part of the service review, the Council will therefore consider options for separating out food and garden waste. To provide an affordable food waste collection, it is possible that other services could change. There are a range of service options and combinations of service model

which need to be considered and costed, and whole service costs need to include not just the operational cost of the service, but also vehicle costs, container costs, material values and disposal costs - so that service options can be properly compared.

6. The Council will be supported in the work to review and redesign services by the Joint Waste Team (JWT) but the Council will need to commission some specialist consultant support to analyse service options and model costs - this is a significant piece of work and neither the Council nor the JWT has the resources or expertise to complete this. This work is critical to ensure the Council takes informed decisions and is fully aware of the likely costs and risks associated with those costs and, therefore, it has significant financial implications for future waste collection service costs. It is therefore recommended that £20,000 be allocated to employ specialist support to carry out this service analysis and modelling.

7. The following work will be carried out to facilitate the review:-

- Analysis of service and modelling of service options and costs
- Public consultation on waste service design (i.e. what service changes would encourage you to recycle more?)
- Review of modelled costs with Ubico, to cross check estimated operational costs
- Benchmarking of other authority service models and performance
- Reports to Cabinet and Council on service options for decision
- Procure new recycling collection vehicles
- Delivery of communication strategy - communicating any service changes to the public.

8. The Joint Waste Committee has agreed that its single most significant objective is to align services across the County to achieve consistency and efficiency in communications to the public, in service delivery and procurement and in asset management and facilities servicing the operations. Cotswold is the first authority to consider a service review since this objective was agreed and will therefore lead in driving this initiative forward. This does not mean all authorities will need to have the same collection method for materials but is around standardising services where it still meets the individual authority's needs. It is likely that core standardised services could be agreed but with the flexibility that each individual authority could then choose optional additional services which may differ. This would enable joint fleet procurement, saving officer time in the procurement process, but also potentially achieving greater buying power and better value for each Council. It may also open the door for some cross boundary working, where it makes sense geographically, which could significantly reduce operational costs for authorities whilst ensuring each authority only pays for services within its district.

9. The Service Review will run alongside work to consider the installation of in-cab technology. In-cab technology enables crews to report issues like contaminated bins or bins not presented whilst they are on the rounds. Customer services advisors can see live data including where the crews are so can update customers with more accurate data, more efficiently, avoiding the need in some cases to contact Ubico and then call the customer back. It can also reduce the number of missed collections the crews have to return for - if the crews have logged a bin hasn't been presented but the customer then states it has been missed. This can significantly reduce the costs to the Council of dealing with alleged missed collections. A business case is being prepared for the procurement of this technology and the potential local authority partners in this procurement are also being explored. A report will be presented to Cabinet in the Summer providing more detail and seeking funding to support the project.

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