

Agenda Item No: 9.6 **Report No:** 26/17

Report Title: Waste and Recycling Review Update: A New Recycling Collection Service

Report To: Cabinet **Date:** 8 February 2017

Cabinet Member: Cllr Paul Franklin

Ward(s) Affected: All

Report By: Ian Fitzpatrick, Director of Service Delivery

Contact Officer(s)- Jane Goodall

Name(s): Jane Goodall
Post Title(s): Strategic Project Manager
E-mail(s): Jane.goodall@lewes.gov.uk
Tel No(s): 01273 471600 x6188

Purpose of Report:

This report provides an update to Cabinet following report no 118/16, 28 September 2016, which recommended undertaking further due diligence tests against a number of options for the future model of the waste and recycling service at Lewes District Council.

This paper proposes fundamental changes to the recycling collection service and the consequential disposal of recyclable material.

Officer Recommendations:

- 1** To maintain the current weekly residual and food waste collection service.
 - 2** To adopt a co-mingled recycling collection service, continuing on a fortnightly basis, to include the provision of recycling containers, 240 ltr wheeled and lidded bins, where appropriate, following the procurement exercise in 3, below.
 - 3** To authorise the Director of Service Delivery, in consultation with the Lead Member for Waste and Recycling, to go out to market to procure a recycling disposal partner and to prepare a report for Cabinet with final costs and business case for the implementation of the new recycling service.
-

Reasons for Recommendations

- 1** The council seeks to improve recycling and reduce residual waste by diverting recyclable material from incineration.
- 2** The recommendations seek to adapt those elements of previously modelled options which are considered best fit for Lewes District Council (LDC) in meeting the objective, above, while remaining flexible and sustainable for the future.
- 3** This solution is designed to meet the aspirations of LDC residents as expressed in a recent customer survey, to be able to recycle more materials and to have a simpler recycling collection system.
- 4** Wheeled and lidded bins will keep materials secure, clean and dry. The provision of these bins will also help address some health and safety concerns for staff, particularly muscular-skeletal injuries from heavy lifting and cuts and grazes to hands and arms.
- 5** The service design is scalable and affordable and could present a viable option for other waste collection authorities seeking an alternative local provider.

1 Information

- 1.1** The current service offer is complicated and has inherent limitations, see Appendix 1: The waste and recycling service at LDC
- 1.2** The LDC recycling rate is within the lower quartile of local authorities in the country.
- 1.3** The national focus is on a 50% recycling rate by 2020 and almost one in four local authorities have achieved that level of performance.
- 1.4** In relation to recycling rates, the experience of high-performing local authorities suggests that behaviour change comes with simpler collection systems.
- 1.5** LDC anticipates improving recycling rates with the implementation of a co-mingled collection method, through a combination of simplicity of system and higher participation among residents. Recycling performance will continue to be monitored and reported regularly.
- 1.6** Officers and Members involved in the Waste and Recycling Review would like to thank Members of Scrutiny Committee for their comments and suggestions at the meeting on 1 July 2016 and at the Cabinet meeting, 28 September 2016, as they have informed the work programme and this report (see sections 2, 3 and 4).

2 Customer survey

- 2.1** From 12 September to 12 October 2016 LDC carried out a survey to explore the barriers to recycling among our residents and to check some ideas to increase recycling. This included asking specific questions about food recycling.
- 2.2** 1444 residents completed the survey, a good response rate, and a summary of the report is on the LDC website at <http://www.lewes.gov.uk/council/25656.asp>
- 2.3** It is noted that this is a self-selecting sample, nevertheless it is statistically valid.
- 2.4** Key findings were that:
- 76% (1045) of recyclers indicated that 'collection of a wider variety of items such as plastic pots and Tetrapaks' would help them recycle more from home.
 - 47% (656) of recyclers indicated that 'a simpler way to recycle such as putting everything in a single large container' would help them to recycle more from home.
 - Only 26% (355) of recyclers indicated that more frequent recycling collections would help them recycle more from home.
- 2.5** When asked for ideas and suggestions for improving our recycling service the most frequent comments recyclers gave were:
- Using a single large container (139 'freestyle' comments)
 - Collecting a wider variety of items (e.g. plastic pots and tubs) (90 comments)
- 2.6** However the difficulties with meeting residents' aspirations within the constraints of the current collection method are:
- a) the vehicles cannot accommodate any more material (see Appendix 1) – and this may continue to be the case if the fleet is replaced with another that requires separation into pre-set compartments as required by kerb side sort
 - b) these materials cannot be disposed of through current arrangements – e.g. no market locally for low grade plastic (there is a market further afield)
 - c) introducing different material may mean another storage container, which residents would not welcome

3 Co-mingled collection and quality of recyclate

- 3.1** Assurances about the quality of recyclate are essential to developing solutions as to how waste is managed.
- 3.2** Since 1 January 2015, by virtue of regulation 13 of the Waste (England and Wales) Regulations 2011, all councils implementing changes to their waste services have to demonstrate compliance with the requirement to produce high quality recyclates and processing arrangements are assessed against the 'practicability' test – technically, environmentally and economically practicable (TEEP).
- 3.3** The necessity to produce quality recyclates from co-mingled materials has been challenging for older material recycling facilities (MRFs).
- 3.4** Modern MRFs locally, such as the facility at Ford in West Sussex and others on the periphery of London, are technically up-to-date producing excellent material with low levels of contamination.
- 3.5** The onus is on MRFs to produce quality recyclate in order to benefit from the income from the material processed.
- 3.6** Until 2013, the recycling organisation WRAP preferred kerbside sort as a collection type but, since then, has confirmed that co-mingling can be the best option: <http://www.letsrecycle.com/news/latest-news/wrap-changes-stance-on-commingling/>
- 3.7** The combination of quality recyclate from modern MRFs (such as the facility at Ford in West Sussex), alongside higher quantities of material generated through simple collection systems, has established a strong argument for co-mingled collection.
- 3.8** Co-mingling of recycling is now undertaken by the majority of councils (52% co-mingled and 34% two stream, WRAP 2015/16 <http://laportal.wrap.org.uk/Statistics.aspx>.)

4 Locally-appropriate solutions

- 4.1** Concerns have been raised about one model of service being applied across Lewes district as there are varying local needs to be taken into account.
- 4.2** The review is seeking to identify the best overall fit and to agree a strategic direction for the service. However, within that there will be operational variations to accommodate some types of property and location, for example, smaller vehicles to collect from narrow lanes and suitable communal facilities for flats (see Table 1, below).

Table 1 Example - a typical specification for communal waste facilities

Communal (6 Flats or more) Example
1 x 1100litre recycling bin with aperture
1 x 1100litre residual bin
1 x 140litre communal food bin

- 4.3** The current recycling service is 'opt in' where practical and it is proposed that it becomes a universal offer, adapted to local circumstances.
- 4.4** The proposal to provide 240 ltr wheeled bins may not apply to parts of the district, for example Lewes town centre, and an alternative solution may be required for on-street properties, such as gull-proof sacks or a supply of clear recycling bags.
- 4.5** LDC will provide bins for circa 40,000 households, the remaining properties having alternatives (as above, communal facilities or bags).

5 Testing the market

- 5.1** Limited soft market testing has taken place to ensure cost modelling is realistic and representative of current market conditions.
- 5.2** LDC will go out to tender to procure a disposal partner. This will incorporate a standalone position as well as options to include other partner waste collection authorities.
- 5.3** The destination for the reprocessing of recycling materials will be determined on cost. Moreover, the destination will be a determining factor in the collection method.

6 Financial Appraisal

- 6.1** Kerb-side sort is a labour intensive and therefore expensive collection method.
- 6.2** There are other less obvious costs associated with the current collection service. For example, last year, 2015/16, replacement requests for lids boxes and bags generated 1,872 calls into the

Customer Service Hub at an approximate administrative cost to the council of £5,616.

- 6.3** Costs for co-mingled collection methods will be finalised following the proposed procurement. The costed options and the business case will be provided following the tendering exercise, to set out actual prices and their impacts.
- 6.4** The cost of bin provision will be in the region of £640,000 (40,000 units at £16), from the £2 million capital provision set aside for the waste and recycling review.
- 6.5** There will be an additional cost for the provision of the bags or sacks as an alternative to bins (see 4.4).

7 Legal Implications

- 7.1** The Legal Services Department has made the following comment:
 - (a)** If the council intends to enter a contract whereby it is disposing of recyclate for payment then this does not constitute a public services contract subject to the procurement rules since the Council is not acting as a purchaser. Paragraphs 19 and 20 of the council's Contract Procedure Rules (CPR) will apply for disposal of assets and income generating contracts.
 - (b)** Assets for disposal must be sent to public auction except where better value for money is likely to be obtained by inviting quotations or tenders. (These may be invited by advertising on the council's internet site or other appropriate means of advertisement). Quotations or tenders will not be required where an expert valuation has confirmed that an alternative method of disposal (such as where there is a Special Purchaser) will secure market or above market value. The method of disposal of surplus or obsolete assets other than land must be formally agreed with the Chief Finance Officer.
 - (c)** A contract entered into whereby the council make payment for the disposal of recyclate would be categorised as services contracts under the Public Contract Regulations 2015 (PCR 2015). It is therefore necessary to work out the estimated value of the proposed contract as that will determine if and how the PCR applies and also how the council's Contract Procedure Rules (CPR) will apply.

8 Risk Management Implications

- 8.1** Risk analysis to take place as part of the procurement exercise and final business case.

9 Equality Screening

- 9.1** The council currently operates an assisted collections service for households in the district. This service is provided for residents who

are unable to take their refuse or recycling container to the kerb.
Assisted collections will continue as part of any service
development.

10 Background Papers

10.1 Cabinet report no 118/16, 28 September 2016

11 Appendices

Appendix 1: The waste and recycling service at LDC