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| Council | Tuesday, 05 December 2017 | Matter for Information and Decision |
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Title: **Review of Refuse, Recycling and Green Waste Services**

Author(s): **Stephen Hinds (Director of Finance and
Transformation / Section 151 Officer)**

1. Introduction

- 1.1. As part of the budget savings options proposed to Council in July 2017, the Council asked Officers to commission an independent review into the Council's refuse service, including green waste and recycling.
- 1.2. The Council appointed SLR Consulting Limited (SLR) to undertake such a review, with the prime driver being cost savings, but also to identify improvements or risks whereby mitigating action is required.
- 1.3. The report that follows summaries the work carried out by SLR, of which the full report can be found in the Appendix. The report also contains a detailed list of Frequently Asked Questions (FAQ's) raised by Members and staff.

2. Recommendation(s)

- 2.1. To approve the consultant's recommendation that charging for green waste should commence in April 2018 and Officers' recommendation that the regional average of £35 per first bin household per annum, with a scale of fees for additional bins, should be charged.
- 2.2. To approve the findings of the report regarding waste and recycling collection, in that alternate weekly waste and recycling collection is implemented.
- 2.3. To adopt a "business as usual" approach, whilst the authority carries out a route optimisation study and consults with residents on the changes to waste collection.

3. Background Information

- 3.1. SLR began their research in September 2017 and the approach taken was that they would interview staff and meet with collection crews to ascertain their thoughts, ideas and concerns. They also met with Members on a site visit to our existing Materials Recycling Facility (MRF) facility and Casepak. SLR prepared waste flow and costing models for our existing services, taking into account routes, Health and Safety and changes to our recycling arrangements due to the County Council serving a direction notice. SLR also carried out soft market testing with waste contractors across Leicestershire and modelled various options for the Council to consider.
- 3.2. Since work began on this project, Leicestershire County Council served a Direction Notice that all recyclable materials be processed at the Casepak facility. This was reported to the Policy, Finance and Development Committee in October 2017, and the decision to close the MRF facility was taken. On this basis, the trialling of co-mingled recycling is being carried out and is so far proving successful.

- 3.3. SLR worked on various options that were deemed viable to the Council. The first option was around the potential to charge for garden waste.
- 3.4. Information collected by the Customer Service Centre (CSC) indicated that 20% of all CSC enquiries related to waste collection and of them, 2,883 were service complaints. The CSC reports that the majority of residents with whom they come into contact with are not happy with the bag system due to ripped bags, the waste on the street and the residents struggling to lift the bags.

4. Green Waste

- 4.1. Many local authorities charge for the collection of household garden waste to reduce costs and potentially generate income. Information from the benchmarking and soft market testing in Chapter 2 of SLR's report show garden waste wheeled bin charges locally such as £40/yr (Harborough) and £40/yr (Leicester). The Council project team has suggested a charge of £35/bin/yr which is similar/less than Harborough charge. It is suggested that the Council could consider a higher charge e.g. £35/bin/year for payment by direct debit and £45/bin/year for other methods of payment. SLR recommends the service is for 12 months of the year.
- 4.2. SLR recommended that the Council should also introduce a Policy from April 2018 of only collecting garden waste from wheeled bins. This will allow charging to be managed and it will improve the safety of collection.
- 4.3. The advantages of charging for green waste, and solely utilising wheeled bins is that:
 - The service can be implemented by 1st April 2018;
 - The revenue generated has a major positive impact upon the MTFs, and enables services to be protected; and
 - The waste survey carried out in the spring highlighted that residents are willing to pay for collection services or change how we collect to protect our services.

The disadvantage to moving such a service is that it is an additional charge to those who choose to use the service.

- 4.4. Adoption of this scheme would generate an estimated net income in excess of £300k per annum, given the assumptions outlined in the report.

5. Refuse and Recycling

- 5.1. SLR analysed a number of options, including a "no change", which meant weekly refuse and recycling in bags, with recycling being co-mingled as per the Leicestershire County Council Direction Notice.
- 5.2. Other "viable" options reviewed were:
 - Fortnightly collection of residual waste and recyclables;
 - Weekly residual waste collection and fortnightly collection of recyclables; and
 - Weekly residual waste in wheeled bins and weekly co-mingled recycling in bags.

6. Bag Collection

- 6.1. Weekly residual waste collection in sacks has been replaced in the majority of local authorities in England by wheeled bins, and the majority of that collection is through alternate weekly collections.

- 6.2. There are significant health and safety issues regarding the manual handling of refuse collection, much of which was highlighted in the health and safety paper published which acknowledged that the recognised practice for refuse collectors to make their tasks easier and quicker is by collecting multiple sacks at once, stooping and twisting on a frequent basis. The paper recommended that organisations providing waste services move to bins wherever practical.
- 6.3. As part of the study, SLR identified OWBC waste collection crews collect sacks from around 1,900 properties in less than the 8-hour working day under 'Task and Finish'. Crews stack sacks in piles first thing in the morning, and then place the sacks into the refuse collection vehicles. Residual waste collection rounds are often completed well within an 8-hour working day. There are health and safety issues with the collection of residual waste in sacks especially relating to manual lifting and collection crews having no knowledge of the weight of sacks before lifting them. The Council has a policy of restricting residual waste sacks to 10kg, but this is not strictly enforced. Refuse collection crews also lift a number of sacks at the same time to speed up collections. There is also a risk that residual and garden waste sacks can contain sharp objects which can puncture the sack and potentially injure the refuse collector.
- 6.4. In addition, there is an issue of litter from sack collection. Sacks can burst when being handled, spilling waste onto the street. Also, sacks can be damaged by animals (dogs, cats, foxes, rats etc) looking for food. The street cleanliness of wheeled bins is considerably better than sacks.
- 6.5. Anecdotal evidence from crews confirmed that when working alongside the Health and Safety Executive, and all Health and Safety regulations were adhered to, the completion of rounds filled the allotted 8-hour working day.
- 6.6. Sickness also plays an issue in relation to the collection of bags. Sickness at the Operational Services Depot averaged 1.33 days per person per month in 2016/17, whilst the rest of the Council's average was 0.86 days. 739 days were lost during that year. Benchmarking against 11 other council waste services in 2015/16 highlighted that only one authority had a poorer sickness record. Of those councils, ten used wheeled bins and the average days lost with those authorities that used wheeled bins was 244 days less than those that did not.
- 6.7. SLR would not expect a significant change in householder satisfaction if there is a switch from sacks to wheeled bins. Some households prefer residual waste wheeled bins collected on an alternative weekly basis and some prefer weekly sack collection.
- 6.8. SLR identifies that whilst continuing to collect refuse and recycling in bags on a weekly basis is possible (due to the end of "task and finish"), the cost of enforcing this could require a minimum of two additional foremen potentially costing an additional £70k per annum. Also, the littering and sack breakage issues would not be addressed. Therefore, SLR recommends that wheeled bins are used wherever practical.

7. Further Options

- 7.1. The options relating to the use of wheeled bins then falls into three options:
 - Fortnightly collection of residual waste and recyclables in bins;
 - Weekly residual waste collection in bags and fortnightly collection of recyclables in bins; and/or
 - Weekly residual waste in wheeled bins and weekly co-mingled recycling in bags.

The table below outlines the anticipated savings / costs to the Council for each option.

| Option | Annual Cost Saving £k |
|---|------------------------------|
| Fortnightly collection of waste and recycling in bins | £13k additional cost |
| Weekly waste in bags and fortnightly recyclables in bins | £34k saving |
| Weekly waste in 140l bins and weekly co-mingled recyclables in bags | £314k additional cost |

- 7.2. The report identifies that only one option provides a cost saving, with that being weekly waste in bags and fortnightly recycling, and a slight cost of fortnightly collection of waste and recycling in bins.
- 7.3. SLR have determined that the a move straight from bagged weekly collection to fortnightly binned collection would not generate savings as initially expected, although this does address all of the waste and recycling issues (including health and safety) aside from providing a significant budget savings.
- 7.4. SLR also conclude that the move to a mixed weekly collection of refuse and recycling in bins would be a significant cost increase to the Council, although it would address the bags issues highlighted within the report.
- 7.5. SLR also recommend that the authority moves to a collection system of alternate weekly collections of waste from a 180L bin and co-mingled recycling from a 240L bin.
- 7.6. Please note that this option, if chosen, would provide the basis for collection methods, but alternatives would be provided in exceptional circumstances.
- 7.7. The advantages and disadvantages of SLR's recommended option are:

Advantages:

- Wheeled bins address health and safety concerns;
- Decreased littering opportunities;
- Reduces risk of vermin;
- Addresses residents concerns/reduces complaints;
- Realisable revenue savings;
- Keeps weekly waste collection; and
- Minimises number of waste receptacles on the street at any one time.

Disadvantages:

- Some residents want to keep bag collection.
- 7.8. It should be noted that due to the Notice of Direction issued by the County Council, items such as clothing and materials cannot be included in the co-mingling of recycling. Work is being undertaken to identify the best way of dealing with this issue (i.e. working with charities to issues collections, clothes banks etc...)
- 7.9. It is recommended that the waste collection service would continue on a "business as usual" approach whilst the authority carries out a route optimisation study and consults with residents on the changes to potential move to alternate weekly

collections. As recommended by SLR, the route optimisation work would identify efficiencies and further potential savings.

- 7.10. Whilst there are no specific timeframes detailed for this consultation, work will continue to ensure safe collection of waste, and the trials of the co-mingling of recycling in bags continue to ensure all options are covered.

8. Next Steps

If the recommendations are approved, SLR recommends the Council prepares an implementation plan for the service change, including carrying out a route optimisation exercise to identify further possible efficiencies and improved performance.

Background Documents:

Report to Full Council (Extraordinary) on 6 July 2017

Appendix - SLR Waste Options Policy Review Report

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| Implications Review of Refuse, Recycling and Green Waste Services | |
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| Finance | The financial implications directly arising from this report indicate a significant positive impact upon the Council's budget. It is encouraged that the further work carried out will reduce budget pressures further. |
| Stephen Hinds (Director of Finance and Transformation / Section 151 Officer) | |
| Legal | The Council has a legal obligation to provide a refuse collection service, and a recyclables collection service as per the Direction Notice served by Leicestershire County Council. With respect to green waste, there is no legal or statutory obligation to collect such waste. |
| Dave Gill (Head of Law and Governance / Monitoring Officer) | |
| Corporate Risk(s) (CR) | <input checked="" type="checkbox"/> Decreasing Financial Resources (CR1) This report and its recommended outcomes will play an important part of the Council being able to set a balanced budget. <input checked="" type="checkbox"/> Organisational/Transformational Change (CR8) The arrangements moving forward look to provide an improved service, utilising technology to provide efficiencies. <input checked="" type="checkbox"/> Other Corporate Risk(s) This report addresses potential health and safety risks. |
| Stephen Hinds (Director of Finance and Transformation / Section 151 Officer) | |
| Corporate Priorities (CP) | <input checked="" type="checkbox"/> An Inclusive and Engaged Borough (CP1) The report utilises information from previous borough consultations and feedback via the CSC. The report also encourages further consultation with our residents. <input checked="" type="checkbox"/> Effective Service Provision (CP2) The report addresses the need to improve the effectiveness of the waste collection services, particularly in relation to reducing littering. |
| Stephen Hinds (Director of Finance and Transformation / Section 151 Officer) | |
| Vision & Values (V) | <input checked="" type="checkbox"/> Innovation (V4) The report recommends the utilisation of various technologies to improve the effectiveness of service provision. <input checked="" type="checkbox"/> Customer Focus (V5) The report and its recommendations are in direct response to our residents requests and needs. |
| Stephen Hinds (Director of Finance and Transformation / Section 151 Officer) | |
| Equalities & Equality Assessment(s) (EA) | There are no equalities implications directly arising from this report. |
| Stephen Hinds (Director of Finance and Transformation / Section 151 Officer) | <input checked="" type="checkbox"/> Not Applicable (EA) |