



<u>Committee and Date</u>
Environment and Services Scrutiny Committee Monday 28 th November 2016

<u>Item</u>
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WASTE COLLECTION SERVICE UPDATE

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1. Summary

- 1.1 This report provides an update on progress regarding changes to the waste collection service following discussions with Veolia and re-design work as part of the Shropshire Energy and Growth Solutions (SEGS) project.
- 1.2 The details of the new collection service were part of a package of initiatives contained in a Waste Service Update report on 10th February 2016 which was agreed in principle by Cabinet who delegated authority for formal approval to the Director of Commissioning in conjunction with the Portfolio Holder for Planning, Housing, Regulatory Services and Environment. This approval was given to a Waste Service Changes Decision Report on 12th April 2016.

2. Recommendations

Members of Environment and Services Scrutiny Committee are asked to:

- 2.1 Scrutinise progress on the implementation of the new waste collection service and add further input into the continued roll out of the service.

REPORT

3. Waste Collection Service Changes

3.1 Food Waste

There will be three main changes to the waste collection service in Shropshire resulting from the recent work with Veolia. The first is an extension of the existing food waste collection service to cover the Shrewsbury area. This was

implemented in June this year, and enables Shrewsbury area residents to add food waste to their garden waste bins. Leaflets explaining how to use the service were delivered to every household, along with a kitchen caddy and starter roll of caddy liners. The food waste and garden waste mixture is sent for In-Vessel Composting at the Agripost facility near Ford.

The food waste collections will be extended into the Bridgnorth and Oswestry areas after the construction of an IVC facility which will be the final piece of infrastructure built under the PFI contract with Veolia. Veolia are currently in discussions with Planning with regard to suitable sites.

3.2 Recycling

The other changes to the collection service are both associated with kerbside recycling. Cardboard has been added to the list of materials that are accepted, and this will be collected with paper in a 75 litre reusable sack. Also, the other recyclable materials (glass, plastics, and metal containers) will be collected together in boxes, mixed in whatever way the residents find convenient.

3.3 Rollout

The timetable for the service rollout is given below along with an outline of planned communications and methods. This will be supplemented by use of the website and internal briefings at Veolia and Shropshire Council, including the Customer Service Centre.

3.3.1 Bag & leaflet delivery – houses:

- The leaflets will be delivered with the blue bags to all houses over a two week period (except for Oswestry which is on a single week collection system).
- The bags will be left on the doorstep with the leaflet going through the letter box
- The bags and leaflets are being dropped off to households on recycling day, so that the resident can use them immediately (i.e. next collection)
- Separate crews will be undertaking the bag and leaflet drop (with a van)

3.3.2 Timescales:

Depot	Start delivery	Start Service
Shrewsbury	19 September 2016 26 September 2016	3 October 2016
North Shropshire	17 October 2016 24 October 2016	31 October 2016
South Shropshire	21 November 2016 28 November 2016	5 December 2016
Oswestry	23 January 2017 (roll out in one week due to single week collection)	6 February 2017

	system)	
Bridgnorth	13 February 2017 20 February 2017	27 February 2017

3.3.3 Flats:

Flats will receive an orange bag, to use in their flats to take their recycling down to their communal bin area. A leaflet will be produced and will accompany the bag. These will be delivered once the main roll out has taken place.

3.3.4 Communications:

- Press release to be sent out on the day that bags start being delivered
- Roadshows to take place during the two weeks of bag delivery, in the relevant area
- Social media to take place during bag delivery and in the first two cycles of collection.

The aims of the communications element are to:

- ensure residents understand how to use the new service
- maximise participation in the new service
- avoid unnecessary contact to the CSC
- ensure continued participation throughout the initial year and subsequent years

An example of the leaflet delivered with the bags is attached as Appendix 1.

3.3.5 Vehicles

Veolia have ordered a total of 51 new vehicles to work on the contract. These will be delivered between August 2016 and February 2017. These will include like for like replacements for existing vehicles used on the residual and garden waste collections and the remainder will be split-back vehicles, as pictured below, to provide the new twin-stream dry recycling service.



3.3.6 Bring Banks

The countywide network of Bring Banks for cardboard was built up by Veolia from 2011, following the change in composting standards that prevented the collection of cardboard mixed with garden waste. As the new service will see cardboard collected for recycling from the kerbside, the Bring Banks will be removed. This will happen area by area in line with the service rollout. Stickers will be placed on the banks in advance to inform residents when this service is due to end.

The same process will apply to the bring banks for plastics. The plastics banks were supposed to be removed nearly 4 years ago when plastic pots, tubs, and trays were first collected from the kerbside. Veolia agreed to retain the banks as long as it was cost-neutral to do so. Unfortunately that is no longer the case as low tonnages, rising levels of contamination, increased collection costs and the falling value of plastics mean that servicing these banks is no longer sustainable.

3.4 Impact of Service Changes

3.4.1 Tonnages

October was the first full month of collections under the new scheme in the Shrewsbury area. When compared to October 2015, there was an increase of 21% in the amount of paper collected which we should assume can be attributed to the addition of cardboard. However there was also a 19% increase in plastic, cans, and glass collected, which suggests that the new service has reminded residents of the options offered by the collection service as a whole. In terms of weight this equates to an additional 99 tonnes of recycling collected compared to last October.

A proportion of this increase can be explained by residents storing material in advance of the service launch. Monitoring will continue to measure the longer term impact.

The changes associated with the extension of food waste collections into the Shrewsbury area are not as easy to measure as it is mixed with garden waste. Garden waste tonnages themselves vary significantly according to the weather during spring, summer and autumn. The coming winter will give us a better opportunity to assess the impact of this particular service.

3.4.2 Customer Service Centre

Service changes are also reflected in the number and type of calls to the Council's Customer Service Centre. There was a 38% increase in customer contacts in September, when the blue bags were delivered in the Shrewsbury area, and this trend continued with a 33% increase in October (service launch in Shrewsbury and bag delivery in North Shropshire) compared to the previous year. The two main components of this are requests for containers as residents re-examine how they are dealing with their waste, and requests for information on recycling in general.

4. Risk Assessment and Opportunities Appraisal

- 4.1 The format of the new collection service was arrived at following research, running prototypes, and detailed discussions with the Council's waste management contractor Veolia.
- 4.2 The principal risk associated with the package is that the proposed changes to the kerbside recycling service do not deliver the increased recycling rate and additional capacity at the ERF which are needed to generate the expected increase in income. This risk will be mitigated by the adoption of an additional Key Performance Indicator (KPI) within the contract which will require Veolia to use best industry practice to improve performance to the required level and a financial penalty if these obligations are not met.

- 4.3 An additional risk associated with the savings is the inability to sell the spare capacity in the ERF. This risk has been addressed through the approval of a long term contract entered into by Veolia to receive 3rd party waste which will supplement the available tonnages of Commercial and Industrial waste within Shropshire, in respect of which Veolia are guaranteeing a minimum gate fee.
- 4.4 The main legal risk associated with the package is that it fails to fully comply with the prevailing legislation surrounding waste collection services, specifically in this case the revised European Waste Framework Directive which requires the UK to take measures to promote high quality recycling. The Directive was implemented in England by the Waste (England & Wales) Regulations 2011, as amended in 2012 (“the Regulations”). In short this law requires all waste collection organisations to collect paper, glass, metals and plastics separately unless it is a) not necessary to enable high quality recycling, or b) not technically, environmentally, or economically practicable to do so.

The key parts of the proposed service have been implemented in a number of other Waste Collection Authorities across the country following assessment against the Directive. However, a specific assessment of the service was carried out in order to prove compliance.

- 4.5 An Equality and Social Inclusion Impact Assessment (ESIIA) was completed for the changes to the waste service. The Part One assessment indicated that the overall impact of the changes was likely to be positive and no Part Two assessment was carried out.
- 4.6 The Council also considered whether the proposed changes to the services were capable of being implemented through the existing PFI Contract mechanism which provides for the review of the Service Delivery Plans and KPIs. The Council formed the view that the proposed changes did not amount to a significant variation or a material change to the PFI Contract and were therefore able to be implemented through the existing mechanism.

5. Financial Implications

5.1 The Council’s Financial Strategy 2016/17 – 2019/20 requires £500,000 annual savings to be achieved from the redesign of the collections service. The strategy requires half-year savings of £250,000 to be delivered in 2016/17, with £250,000 further savings delivered in 2017/18. Implementation plans are on course to deliver this.

List of Background Papers (This MUST be completed for all reports, but does
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not include items containing exempt or confidential information)

Report of the Waste Rapid Action Group, Environment & Services Scrutiny Committee 24th March 2014

Update on Waste Collection Service Redesign, Environment & Services Scrutiny Committee 21st July 2014

Updates on the Energy Recovery Facility and Shropshire Energy & Growth Solutions (SEGS) project, Environment & Services Scrutiny Committee 8th September 2014

Waste Services Update, Cabinet 10th February 2016 (Exempt)

Waste Service Changes Decision Report on 12th April 2016 (Exempt)

Cabinet Member (Portfolio Holder)

Malcolm Price, Portfolio Holder for Planning, Housing, Regulatory Services and Environment

Local Member

All Members

Appendices

Appendix 1 – Collection Service and Waste Information leaflet