

Report to Environment & Economy Overview and Scrutiny Panel

Agenda Item:

A.3

Meeting Date: 3rd March 2016
 Portfolio: Environment and Transport
 Key Decision: Not Applicable:
 Within Policy and Budget Framework YES
 Public / Private Public

Title: RETHINKING WASTE PROJECT

Report of: Director of Local Environment

Report Number: LE 03/16

Purpose / Summary:

This report provides an update on the progress of the Rethinking Waste Project and highlights key issues going forward.

Recommendations:

Scrutiny Panel is recommended to receive the report, note the progress made and to agree future dates to review progress going forward until the project is fully implemented.

Tracking

Executive:	
Overview and Scrutiny:	
Council:	

1.0 BACKGROUND

Having considered a number of options for the future shape of the refuse and recycling collection service, on 29 June 2015, the Executive agreed to Option 1, which, subject to a full business case, would see the:

- Fortnightly collection of refuse (240litre bin)
- Fortnightly collection of garden waste (240litre bin)
- Fortnightly collection of dry recycling (card, paper, glass, plastic and cans) on one modern Resource Recycling Vehicle.

A report was considered and supported by Environment and Economy Overview and Scrutiny Panel when it met on 17 September 2015. The original aims of the project are summarised below and would...

- Require new refuse collection vehicles
- Require new vehicles to collect all dry recycling materials in one go
- Retain the current collection containers and bins
- Introduce significant changes in the collection rounds to maximise efficiency
- Bring in-house all the recycling collections
- Develop a transfer station to manage the materials
- Require a new team to manage and deliver the service and transfer station and potentially changes to working patterns of operational staff to maximise productivity and reduce costs
- Meet TEEP (Technically, Environmentally and Economically Practicable) requirements and will slightly increase recycling rates as all residents will receive kerbside collections

2.0 UPDATE ON BUSINESS CASE AIMS (as reported Sept.2015)

2.1 New refuse collection vehicles (RCV)

Following trials with a different type of refuse collection vehicle from the more 'traditional' model, two Rotopress vehicles were purchased and have been operating since October 2015. They have proved to be very popular with drivers and to date have been very effective in operation, providing improved access and additional payload, up to 1.5ton (14%) extra compared to a typical 26ton refuse collection vehicle. As and when other vehicles are due for replacement, consideration will be given as to whether or not we continue with the traditional refuse collection vehicle or increase the number of Rotopress vehicles.

A smaller, 16 ton vehicle is currently in build that will be used to support back-lane collections where the standard refuse collection vehicles are unable to access. There have been some delays in the build due to the unique design specification set although we are assured the problems are being addressed.

The City Council's wider fleet is also subject to review to ensure that we have a range of vehicles that are better able to respond to service demands. For example, as our cage tippers are replaced it is planned to purchase some with bin lifts to increase their effectiveness and improve our speed of response.

2.2 New Resource Recycling Vehicles

Trials of three different types of resource recycling vehicles have been carried out in Carlisle with unfortunately no particular vehicle standing out as the obvious choice and all presenting different benefits and challenges. Different options continue to be investigated and we are also in contact with the vehicle manufacturers who are aware of our concerns and working to address some of the difficulties. The key concerns centre around payload and capacity, ergonomics and health and safety (manual handling and road risk). Such vehicles are however in use in other authorities and fact finding visits are planned to understand how they have overcome such issues.

The vehicle specification should not overly influence service re-design but it is an important factor that cannot be ignored. Information from other councils and from the industry will be used to support the final business case and subsequent decisions to purchase the new vehicles, understanding fully how they will perform in Carlisle.

2.3 Retain the current collection containers to reduce costs

Where possible, we will aim to retain existing containers to minimise costs going forward. The trials of the resource recycling vehicles did however reveal some issues with the design of the current receptacles for recycling which were slowing down the collection / sorting process and / or introducing new manual handling risks for staff which cannot be ignored. The research underway and the fact finding visits planned to other councils will support decisions in this regard.

The receptacles chosen will need to satisfy:

- Practicality test:
 - Ease of use by residents – to encourage recycling
 - Ease of use by collection staff – to minimise manual handling and other risks, reducing the need for staff to have direct contact with waste
 - Size – need to be fit for purpose and practical
- Affordable
- Durable
- Image and impact – do the current receptacles have a positive / negative impact on the streetscene

The Project will also review waste receptacles, policies and service standards to address emerging issues. Back lane collection in some areas continues to present challenges (safe access and manual handling) and the use of 'gull-proof sacks' is also a cause for concern in some streets (misuse / manual handling / capacity / image).

2.4 Introduce significant changes in the collection rounds to maximise efficiency

It is proposed to re-model all collection rounds to ensure that they are operating as efficiently and safely as possible. Specialist routing software will be combined with the valued experience and knowledge of our own drivers to reflect local issues. This review will also ensure that those new-build estates and properties currently not receiving all recycling and garden waste collections are addressed where practical. It is anticipated that whilst rethinking waste will not be implemented fully until April 2017, where possible, changes in this regard will be made earlier, bringing some new build estates 'on-line'. It is important that any changes are planned appropriately to ensure we continue to deliver value for money services for residents. We are not in a position, however, at this time to simply increase the collection rounds which are working to capacity.

2.5 Bring in-house all recycling collections

The current 'green box' collection contract with FCC is scheduled to end June 2016. A verbal offer to extend the contract for a final nine month period up to 31 March 2017 has been made and provisionally accepted subject to agreeing the contract costs which are expected to be within budget. This will bring the contract end-date in line with the recycling contract for the material the Council collects from bring sites. Co-terminating the contracts in this way and combining the volumes will support the procurement of a new single 'end markets' recycling contract from April 2017.

A soft market testing day is scheduled for 17 March 2016 providing an opportunity to hear from end market providers and to help inform our decisions on service redesign, vehicle specification and type of receptacle. The aim continues to be to protect the value of the recycling asset by collecting as much as possible separated at source. But, for example, it may be possible to mix some of the waste streams together where any resulting fall in value / income will be more than off-set by the reduced collection costs (efficiency), reduced vehicle costs (specification) and reduced health and safety risks (manual handling / sharps etc).

And, reflecting where this will also provide benefits for the resident making recycling an easier and more practical option, increasing volumes and helping with the streetscene etc.

This final extension will also provide scope to develop the new in-house service, purchase the right fleet of vehicles for Carlisle and to deal with potential TUPE implications.

2.6 Develop a transfer station to manage the materials

Our appointed consultants, Eunomia, provided information and anticipated costs for the potential development of the Bousteads Grassing depot as a bulking and transfer station for recyclable materials. The report confirmed that significant investment would be needed to house all the delivery, processing, batching and collection to be carried out within an enclosed building on site in order to mitigate likely development conditions in respect of noise, particularly associated with the frequent unloading / loading of glass. Initial estimates of £1.7million capital were provided giving an annual cost of circa £360,000pa (pay back of capital / annual operating costs). Given this level of investment and reflecting the current state of the recycling market, the Project Board agreed that the business case in this regard could not justify the financial risk; procuring an external end markets provider would present the best option going forward at this time. Should the market conditions change significantly in future, then this option to develop in-house transfer facilities could be revisited.

The depot development work with Eunomia was stopped after receipt of this information and the consultants discharged.

2.7 Require a new team to manage and deliver the service and transfer station and potentially changes to working patterns of operational staff to maximise productivity and reduce costs.

An internal 'enabling' review will soon be launched to ensure that our current structures are fit for purpose and that there are sufficient resources to drive service improvements in key areas across Neighbourhood Services as well as deliver this key project. This review will also support the Medium Term Financial Plan. As the project develops and services are returned to the council, then it is envisaged that a further review will be needed. For the reasons outlined above, this will not, at this time, include any proposals to develop our own transfer station. There remains, however, a need to tighten some depot controls and standards through the creation of a dedicated 'site officer' or 'yard-man' type role, funded from within existing resources. Further changes to employment terms and conditions are under consideration (see 2.14below).

2.8 Meet TEEP (technical, environmental and economically practicable) requirements and will slightly increase recycling rates as all residents will receive kerbside collections

This remains the aim of the project for the majority of households and will address the new build estates where the 'full' service is not offered at the kerbside.

Discussions will be held with ward members where necessary to develop local solutions where different arrangements may be needed.

As above, the information from the soft market testing day will help inform decisions.

3.0 Further developments

3.1 Staffing

The review of the role of Driver / Loader has been carried out with their responsibilities increased to better reflect their 'supervisory' role for the crew and to reinforce key health and safety responsibilities. As a result the post was re-graded from grade C to grade D. Following individual driving assessments, all drivers were successfully appointed to the new grade on 15 December 2015. The service currently has three driver vacancies, currently out to advert, and the new enhanced salary level will support recruitment.

Four Neighbourhood Services staff members have also been trained to drive HGVs to improve flexibility and responsiveness. Three have so far passed their test with the fourth expected to complete the training and pass their Class C test very soon.

3.2 Review of technology

The review is also going to address our use of technology to improve service performance and compliance. On board vehicle cameras and trackers already operate and the other in-cab technology (Masternaut system) have all proved very effective but are in need of update as the fleet is replaced. The new system(s) needs to be further integrated into the Council's CRM system to provide a more seamless link between the back office and front-line service to further drive performance and responsiveness.

3.3 Development of apprenticeship scheme

A proposal is being developed to ear-mark funding from this year to support the development of a new two year apprenticeship scheme, to recruit from August 2016 – 2018 creating opportunities for local young people. The scheme is envisaged to provide a varied experience across Neighbourhood Services (refuse / street cleaning) and Green Spaces (grounds maintenance / parks and gardens) backed

up by a recognised qualification. The apprentices will be in addition, not instead of, staff so will have a positive impact on service delivery as well as providing some business resilience going forward giving our aging workforce.

3.4 Communication

Any changes arising from this review will have the potential to impact on every household and indeed on our own staff. The aim will be to minimise disruption and place residents and staff at the heart of the review; regular communication will be a vital. Engaging with elected members both collectively and at a ward level will also ensure that we stand shoulder to shoulder in support of the changes when introduced and that we take a consistent, robust, but measured approach to implementing changes.

A service improvement group has been established to seek the views of staff across neighbourhood services on general day-to-day service issues with a view to making ongoing adjustments where necessary to improve service standards and working 'conditions'.

3.5 Project timescale

A simple, clear over-arching project plan will set out the key dates and actions. Sitting below this will be a more detailed project plan identifying the various actions necessary to deliver the project.

A target date of April 2017 is set for implementation although consideration may need to be given to phasing some changes.

The April start date provides time to:

- Implement the initial 'enabling' review and secure dedicated project resources
- Continue to drive wider service improvement across neighbourhood services
- Fully evaluate each project theme
- Learn from other authorities
- Finalise the business case
- Procure specialist vehicles
- Consult with stakeholders
- Pilot / trial vehicles
- Engage and consult with stakeholders

It should be emphasised that much of this project work will be front-loaded to ensure that vehicles for example are procured and delivered on time, given the often lengthy lead-times.

Where practical, some changes may be introduced earlier but an April 2017 start date also supports budget planning, reflects the end dates of existing contracts, supports the introduction of a charging regime and crucially avoids introducing changes for example over summer holidays or Christmas and New Year. This will also be at a time when the weather should be improving, reducing the risk of service disruption due to adverse weather.

4.0 CONSULTATION

- As above, a key theme running through the project will be communication with all stakeholders, including residents, staff, partners and elected members both collectively and on a ward basis where separate solutions may need to be developed in some areas.
- Formal consultation with staff and unions will be instigated where necessary.
- The governance arrangements for the Project are already established and regular opportunities will be sought to consult formally and informally with members for example through the Cross Party Working Group.

5.0 CONCLUSION AND REASONS FOR RECOMMENDATIONS

The reasons and principles supporting the Rethinking Waste Project have been agreed previously and are not repeated here. However, it is important to re-emphasise that refuse collection is often seen as the key service provided by local councils. Such services are inevitably very high profile where any changes can impact instantly on residents introducing a clear risk of reputation damage. The waste sector is also now ranked number one by the Health and Safety Executive in terms of the number of serious injuries and fatalities and a number of recent, very serious incidents have placed the spotlight rightly on the sector.

Replacing our fleet of collection vehicles and redesigning the service will require significant investment both in terms of time and budget and it is vital that the right decisions are made to ensure that we continue to provide high quality and value for money services for our residents. The Rethinking Waste Project will deliver changes and improvements but this cannot be achieved without wider service modernisation and there remains a need to fully evaluate the new risks emerging,

take stock and re-focus. A simple overarching project plan is being developed and the project will be resourced to ensure we get this right first time.

Scrutiny Panel is recommended to receive the report at this time, to note the progress made and key issues identified, and to agree a series of dates / actions to monitor progress going forward up to and beyond implementation.

6.0 CONTRIBUTION TO THE CARLISLE PLAN PRIORITIES

Clean up Carlisle, efficiency savings, sustainability

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Appendices: None

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- None

CORPORATE IMPLICATIONS/RISKS:

Chief Executive's -

Deputy Chief Executive –

Economic Development –

Governance –

Local Environment –

Resources -