



# Report to Transport, Environment and Climate Change Select Committee

<b>Date:</b>	2 <sup>nd</sup> February 2023
<b>Title:</b>	<b>Waste Options Appraisal &amp; Strategy</b>
<b>Cabinet Member(s):</b>	Gareth Williams, Cabinet Member for Climate Change and Environment
<b>Author:</b>	Martin Dickman, Service Director Neighbourhood Services ( <a href="mailto:Martin.Dickman@buckinghamshire.gov.uk">Martin.Dickman@buckinghamshire.gov.uk</a> )
<b>Contact Officer:</b>	Claire Oakins, Waste Strategy Manager ( <a href="mailto:Claire.Oakins@buckinghamshire.gov.uk">Claire.Oakins@buckinghamshire.gov.uk</a> )
<b>Ward(s) affected:</b>	All Wards
<b>Recommendation:</b>	<b>The Transport, Environment and Climate Change Select Committee note the information regarding the waste options appraisal and strategy review</b>

## 1. Executive summary

- 1.1 The purpose of this paper is to provide the Committee with an update on the work being undertaken to assess the future operational arrangements relating to waste collection & street scene services and the planned approach regarding the Council's future Waste Strategy.
- 1.2 The Council currently has a 'mixed economy' in respect of the delivery of waste collection and street scene services – the service in the North of the county is delivered in-house, and the service in the South is delivered through a 10 year contract with Veolia, which was let by the former Southern District Councils prior to the formation of the Unitary Council and commenced in September 2020.
- 1.3 The overall operational cost of waste collection services in the county is c.£18.2m per annum. The operational cost of the North Waste collection and Street Scene service

is c.£7.2m (this figure doesn't include the Commercial Trade Waste collection service). The operational cost of the Southern Waste collection & Street Scene service is c.£11m.

- 1.4 Nationally, a number of significant issues are being recommended as part of the Government's Environment Act and Resources and Waste Strategy which will impact on Local Authority waste services (policy, collection and disposal) and those implications need to be carefully considered when the Government release further information.
- 1.5 The objectives for this programme cover two key areas:
- To provide a detailed quantitative and qualitative options appraisal of the potential operational arrangements relating to waste collection and street scene services, as well as potential considerations for the harmonisation and/or optimisation of services in the future (waste improvement activities).
  - To review and refresh the Council's Waste Management strategy (along with any associated policies), which reflects the new future direction of travel for the service and considers the key legislative / policy drivers and the impact of these on waste management services.
- 1.6 The programme of work is politically, reputationally and commercially sensitive due to the nature of the options being appraised.

## 2. Content of report

### Background

- 2.1 As part of the business case for forming a unitary authority ('Modernising Local Government in Buckinghamshire' 2016) Waste Management was cited as one of the areas where harmonisation could deliver efficiency gains: *"A consistent and integrated waste collection and disposal service, creating an end-to-end waste service with a single, consistent strategy supported by joined-up delivery, enhancing performance and customer satisfaction, would be a major benefit from a single unitary council."*
- 2.2 The Council currently has a 'mixed economy' in respect of the delivery of waste collection and street scene services – the service in the North of the county is delivered in-house, and the service in the South is delivered through a 10 year contract with Veolia, which was let by the former Southern District Councils prior to the formation of the Unitary Council and commenced in September 2020.
- 2.3 Although the waste collection service operation is different between the North and the South of Buckinghamshire (in-house vs. outsourced), the services offered are very

similar from a resident's perspective and policies are largely aligned. The frequency of collection, materials collected, collection of excess recycling are all the same. The only differences are in the separate collection of paper/card in the Southern area (from other recycle) and bin colours and sizes. All communications are delivered as a single message, avoiding caveats about different services wherever possible.

2.4 Since the formation of Buckinghamshire Council there have been several harmonisation activities that have already taken place across waste services, namely:

- Fees and charges reviewed e.g. bulky waste collection charges harmonised to one price and consistent service (number of items collected etc.);
- Waste collection services, including the collection frequency for all waste commodities, are the same or very similar across Buckinghamshire;
- Simple messaging regarding waste collection services for bank holidays / festival day changes;
- All general waste and recycling content is on the central Council website and reference to legacy council information has been removed; and
- Recent harmonisation of garden waste services, including subscription charges and the winter suspension period.

2.5 In order to consider wider service harmonisation and operating model options a Waste Strategy programme has been initiated. This programme of work is being carefully planned due to the nature of the options being considered, the importance of this critical universal service for residents and the potential impact for the Council, employees, and contractors. The Waste Strategy programme has been divided into three main projects (further timetable information is provided in section 7, Next Steps and Review):

- Project 1: To provide a detailed quantitative and qualitative options appraisal of potential operational arrangements relating to waste collection and street scene services, as well as potential considerations for the harmonisation and/or optimisation of services in the future (waste improvement activities). Project commenced in July 2022.
- Project 2: To review and refresh the Council's Waste Management strategy (along with any associated policies), which reflects the new future direction of travel for the service and considers the key legislative / policy drivers and the impact of these on waste management services. Project commenced in January 2023.

- Project 3: To implement the approved option(s) from Project 1 and the approved Waste Management and Street Scene Strategy from Project 2. Project due to commence following council governance process.

### **Waste Collection and Street Scene Options Appraisal (Project 1)**

2.6 This project is made up of two elements in order to deliver a detailed quantitative and qualitative options appraisal, namely:

- Evaluate the potential operational arrangements to identify the preferred model to deliver the waste collection and street scene service in Buckinghamshire; and
- Assess potential harmonisation and/or optimisation of waste collection and street scene services (i.e. waste improvement activities). These options will include timescales, i.e. if / when best to implement any changes and time required to do so. These options will also consider the necessary actions arising (some of which are still currently unknown) from the Environment Act and the Government's Resources and Waste Strategy, as well as current local service differences and where they could be aligned.

2.7 The high level project outputs are:

- A definition of the current services and associated costs (baselining);
- Best practice benchmarking;
- An assessment of the modelled options and associated forecasted costs over the agreed evaluation period;
- An assessment of potential service harmonisation and/or optimisation options (waste improvement activities) for the future and associated forecasted costs;
- Outline plans and costs for future implementation (costs of change) for the options so they can be considered as part of the decision making process; and
- Reports to support recommendation(s), in order to take the proposal(s) through the Council's decision making process.

2.8 Services in scope are:

- North waste collection and street scene (in-house) services;
- South waste collection and street scene (contracted) services; and

- iii. Household Recycle Centre (HRC) service, but only in relation to the costs per tonne applying when kerbside or street scene collected material is deposited into an HRC, including any transfer costs.

### **Waste Strategy Review and Refresh (Project 2)**

- 2.9 As part of the Government's Environment Act and Resources and Waste Strategy (RWS) there are a number of significant impacts on Local Authority waste services (policy, collection and disposal), some of which are still currently unknown.
- 2.10 Having separately consulted during February – July 2021 on the detailed proposals regarding Extended Producer Responsibility (EPR) for packaging, a Deposit Return Scheme (DRS) and Consistent Recycling Collections, which included proposals for mandated material collections with six recyclable waste streams (food, garden waste, plastic, glass, paper and cardboard), and free garden waste collections, there has been a delay in the Government providing further information / outcomes to some of their consultations.
- 2.11 During March 2022 the Government provided further updates on the details regarding EPR, which includes mandating kerbside collection of plastic films and flexibles by March 2027 and will see the performance of local authorities further assessed. The details of how the EPR scheme administrator will assess local authority systems in terms of 'efficiency and effectiveness' are still currently unknown.
- 2.12 Information / consultation outcomes regarding DRS and Consistency were last due to be published in Autumn 2022 and, at the time of writing this report, were still unpublished. In July 2022, Defra restated that it is *"committed to introducing a Deposit Return Scheme (DRS) for drinks containers to boost recycling and clamp down on plastic pollution and litter."* Defra has also stated *"that to drive up recycling levels, with a target of 65% recycling of municipal waste by 2035, under the proposals in England, a core set of materials must be collected from every household and business in England, specifically: plastic, paper & card, metal, and food waste."*<sup>1</sup> (as identified in their Consistency consultation in 2021).
- 2.13 As previously mentioned, the known implications from the Government's Environment Act and Resources and Waste Strategy are being considered as part of the options appraisal (project 1), however a separate project has now commenced to review and refresh the Council's Waste Management strategy (along with any associated policies), which reflects the new future direction of travel for the service and considers the key legislative / policy drivers and the impact of these on waste management services.

---

<sup>1</sup> <https://www.letsrecycle.com/news/defra-reaffirms-epr-consistency/>

- 2.14 The project is currently in 'start up' phase, but plans include reviewing the legacy Waste Partnership for Buckinghamshire's Waste Management strategy and engagement with key stakeholders, as well as assessing best practice / current examples from other local authorities, and consideration of the actions arising from the Environment Act and the Government's Resources and Waste Strategy.

### 3. Legal and financial implications

#### Legal implications

- 3.1 Legal colleagues form part of the project team and project assurance, with specific external expertise and advice being sought when required.

#### Financial implications

- 3.2 The overall operational cost of waste collection services in the county is c.£18.2m per annum. The operational cost of the North Waste collection and Street Scene service is c.£7.2m (this figure doesn't include the Commercial Trade Waste collection service). The operational cost of the Southern Waste collection & Street Scene service is c.£11m. These are 2022-23 Base Budget figures representing the direct service cost and do not include any back office costs.

	North (in-house service)	South (outsourced service)
2022-23 Annual service cost (Budget)	c. £7.2m*	c. £11m*
Cost per household	c. £84.10	c. £74.80

- 3.3 The detailed financial assessment is being supported by external financial advisors to the Council, with internal financial colleagues forming part of the project team, project board and project assurance.
- 3.4 Financial implications in terms of any capital and revenue funding requirements, mitigations and the timings in relation to the Council's Medium Term Financial Planning (MTFP) process are being considered as part of this review. A demonstration of value for money will be one part of the evaluation criteria.
- 3.5 The Waste Options appraisal costs are being funded from committed funds within the Waste reserve and form part of MTFP proposals (£750k for 23/24).

## **4. Corporate implications**

- 4.1 The programme reflects one of the Climate Change and Environment Portfolio priorities relating to Waste Strategy and Management.
- 4.2 The multi-disciplinary team to deliver this programme of work includes representatives from HR, legal, procurement, finance, communications, property, and waste management (both collection and disposal teams). External technical and financial advisors, Resource Futures and New Networks, have been commissioned to lead the analysis and modelling, with the overall programme being coordinated and managed by the Waste Strategy team.
- 4.3 Corporate implications are being assessed as part of the options appraisals and implementation planning.
- 4.4 An initial Equalities Impact Assessment (EqIA) Screening Questionnaire has been completed, along with a Data Protection Impact Assessment (DPIA) Screening Questionnaire. The projects do not currently require a full EqIA and / or DPIA to be completed at this stage, but this will be kept under review.

## **5. Local councillors & community boards consultation & views**

- 5.1 The options appraisal is to determine a recommended approach and so far during the project there has been engagement and briefings with the Cabinet Member for Climate Change and Environment.
- 5.2 Members and Community Boards will be engaged as proposals develop at the appropriate time and as appropriate during the decision making / governance process.

## **6. Communication, engagement & further consultation**

- 6.1 A Communications Strategy has been developed and relevant stakeholders have been engaged with during the project and will be involved in considering the options through the decision making / governance processes.
- 6.2 Advice has been sought and a formal public consultation is not legally required at this stage. This will be kept under review throughout the different stages of the programme to assess the need for consultation.

## **7. Next steps and review**

- 7.1 The indicative timeline for the next steps is shown in table 1 overleaf.

**Table 1: Project Timelines**

<b>Next Steps</b>	<b>Indicative Timeline</b>
Project 1: Waste Options Appraisal	
<ul style="list-style-type: none"> <li>• Technical and financial modelling by project team</li> </ul>	July 2022 – February 2023
<ul style="list-style-type: none"> <li>• Council governance process</li> </ul>	February – June 2023
<ul style="list-style-type: none"> <li>• Commencement of mobilisation &amp; implementation</li> </ul>	June 2023 onwards (timescale to be determined based on decision taken)
Project 2: Waste Strategy & Policies	
<ul style="list-style-type: none"> <li>• Project initiation, set up and road mapping</li> </ul>	January – April 2023
<ul style="list-style-type: none"> <li>• Strategy review &amp; development</li> </ul>	May – October 2023
<ul style="list-style-type: none"> <li>• Council governance process</li> </ul>	November 2023 – March 2024

## **8. Background papers**

8.1 None