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To: Executive
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Status: Key Decision
Ward(s) Affected: All
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Title: Review of future options for fleet replacement

Summary:

This report sets out the Council's options for the future waste and recycling service following the extension of the existing collection contract with Amey Plc from April 2017. A service review has been undertaken which includes options and financial appraisals for the current and alternative recycling collection systems to inform fleet replacement. Amey Plc have advised they can access a Materials Recycling Facility (MRF) and have provided the associated commercial costs for operating an alternative collection system utilising a standard rear loading collection vehicle. The full service review can be found as Appendix A.

Recommendations:

It is recommended that:

- i. The Executive provide Amey plc with a letter of commitment to enable the placing of orders for new vehicles for fleet replacement with standard rear loading vehicles with operational effect from April 2020.
- ii. The Executive approve a public consultation exercise is undertaken in the summer to inform future waste and recycling containment and collection services from April 2020.
- iii. The potential financial implications be factored into the next refresh of the Council's Medium Term Financial Strategy.

Reasons for recommendation

The contract extension in March 2017 required the current collection fleet to be operated beyond the 7 years within the original contract to a maximum of 10 years by March 2020. It is accepted by the industry that waste vehicles maximum operational productive life is 10 years. The review of the recycling service presents a strategic service and investment opportunity to standardise the collection fleet, improve operational delivery and address negative customer feedback about the current recycling service.

Implications for future recycling collections following the recent publication of the Government's Waste Strategy 2018 and the launch of Our Paper (an initiative working with WRAP and the Confederation of Paper Industries to encourage Council's to provide separate collections of paper and cardboard) will also be addressed by implementing the recycling option recommended.

1. Introduction and Background

- 1.1 Recycling and waste collections are carried out by Amey Plc as part of an integrated environmental services contract which also includes street cleansing and grounds maintenance. The contract started in October 2009 and was a 7 ½ year contract with an option to extend for a further 7 years. The contract extension was granted in April 2017 and included a 3 year break clause which allows the agreement to be terminated by either party serving notice at least six months prior to this date. This break clause also allowed the extension of the life of the fleet from 7 to 10 years and the Council is now in a position whereby it needs to review the collection requirements to inform vehicle replacement from April 2020 onward. The collection service review also provides an opportunity for the Council to recognise the future impact of the recently published Government Waste Strategy and approve a service change that meets current and future collection needs.

Business case and options appraisal

- 1.2 The business case and options appraisal has been developed jointly between the Council and Amey Plc utilising commercial and operational expertise from Amey Plc together with research from other local authorities (LA's) and local knowledge of the service. The business case draws together national and regional policy for waste and recycling and sets it within the local context for redesigning a recycling service that meets both local needs and national policy requirements. Whilst the scope of the business case has been limited to the recycling service the options appraisal recognises the need to manage future service impacts arising from the Government's recently published Waste Strategy.
- 1.3 For any collection service the method of disposal or disposal infrastructure dictates the way materials are collected in terms of vehicles and waste receptacles. The opportunity to review the fleet requirements only occurs every 7 to 10 years when the fleet is due for replacement. The extension and agreement to review the recycling service builds on this, together with Amey

Plc's ability within the contract to source a new disposal arrangement for the recyclates.

- 1.4 Currently the three main collection services of refuse, garden waste and recycling are not standardised either in terms of fleet or containers. For example the service uses rear loading waste vehicles for Refuse and Garden waste, whilst recycling is collected using bespoke side loading vehicles. Similarly the refuse and garden waste household container is a standard 240ltr wheeled bin whilst recycling containers are 55ltr boxes. The evidence within the business case and options appraisal overwhelmingly supports the standardisation of the collection fleet with rear loading collection vehicles, which would also present the opportunity to standardise household containers in the future. The table below summarises the operational and customer service collection issues arising from each vehicle type identified within the recycling service options appraisal. It demonstrates that the side loading collection vehicles are not flexible or resilient and severely limit opportunities for future efficiencies.

Non Standard Vehicle Issues Analysis			
Operational and Customer Service Collection Issues	Side Loading Kerbside collection vehicle	Twin Stream rear loading collection vehicle	Standard rear loading collection vehicle
Standard Vehicle			Y
Hire vehicle available			Y
Standardised collection fleet			Y
Mitigates against impact of Waste Strategy 2018			Y
Ability to transfer vehicles between collection services			Y
Supports the ability to change the recycling service in the future			Y
Addresses customer dissatisfaction with current containment			Y
Reduces issue of wind-blown recyclates			Y
Improved vehicle manoeuvrability to access difficult locations			Y
Supports collection efficiency			Y

Maximised fleet efficiency and flexibility			Y
Facilitates area based working			Y
Ability to service communal areas			Y
Ability to deliver future efficiencies			Y
Enables expansion of commercial waste service			Y
Supports MRF development at Allerton Park			Y

As can be seen from the above analysis there is an overwhelming case for standardising the collection fleet with rear loading collection vehicles. It is clear from the above that remaining with bespoke vehicles would not provide the opportunity for change and efficiency as well as addressing customer issues going forward.

- 1.5 Whilst NYCC, as the Waste Disposal Authority, are responsible for providing disposal facilities in this area, they do not provide a disposal / sorting facility for dry recycling, as a result each district council has, over time, developed its own independent dry recycling service. In the past the Council did not have access to a MRF which is required to facilitate the provision of co-mingled recycling collections using wheeled bins.
- 1.6 NYCC and City of York Waste Disposal Authorities have recently made a significant investment in waste disposal infrastructure at Allerton Park. The contract for the development, construction and management of the facility is for a 25 year period with over 20 years remaining. The facility processes all residual waste for the County and City of York and the implementation of the Waste Strategy 2018 has significant implications for the waste composition and tonnages that the facility was designed for.
- 1.7 In anticipation of the publication of Waste Strategy 2018, NYCC commissioned a waste management consultancy to conduct an analysis of waste and recycling systems across North Yorkshire on a whole system basis (doorstep to disposal). The modelling and findings of the analysis was presented to all members of the York & North Yorkshire Waste Partnership on 22nd January 2019. The analysis reviewed all current collection systems and disposal arrangements to identify total costs across North Yorkshire. A number of options for change were also modelled to identify the whole system cost for each option to achieve consistency of collection and disposal solution. Currently all waste collection authorities collect residual and green waste fortnightly using a wheeled bin system whilst recycling services across North Yorkshire are all different and therefore the emphasis for change is on standardising the collection service. From a whole systems perspective any change requires a material sorting facility at Allerton Park and this was

included in the modelling. The outcome of the modelling identified a wheeled bin collection system to be the most efficient with recycling materials collected either fully co-mingled a single bin or in two bins as a twin stream system.

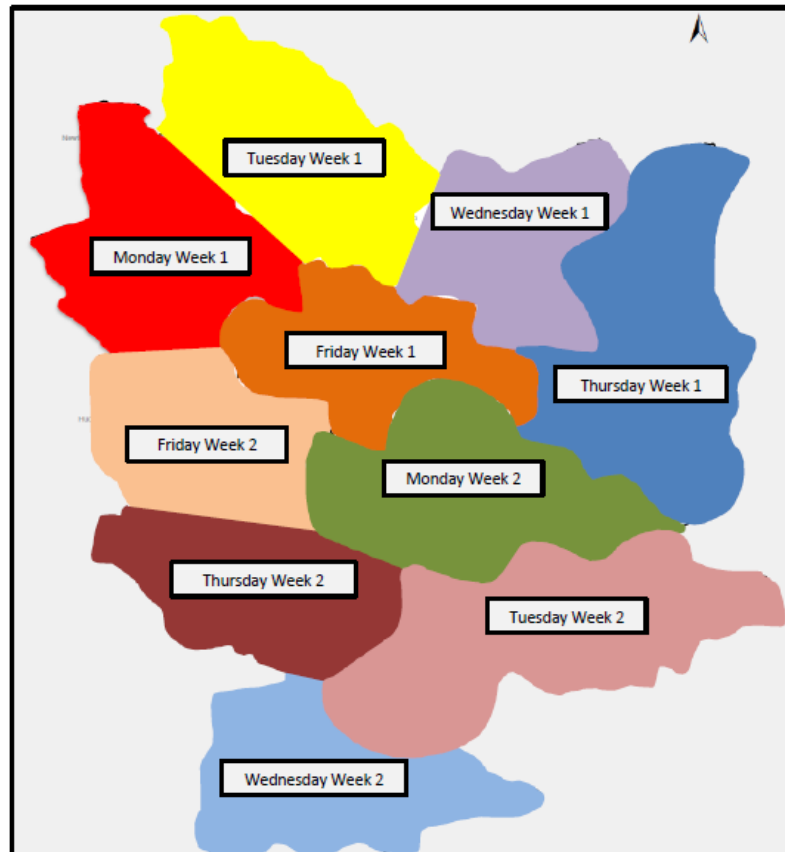
- 1.8 Under the Council's current arrangement with Amey Plc, they retain ownership of all dry recyclates. Their national buying power and aggregation of tonnage across multiple contracts means that they can access different markets and secure the best possible income rates. Amey Plc can more easily source alternative disposal arrangements and they have undertaken a review of the facilities accepting the types of recyclates collected under the Council's contract. Details of facilities can be found on page 14 of the Options Appraisal document. This means that the Council is now able to consider options for recycling collections that were not previously available to it.
- 1.9 Amey Plc have concluded commercial negotiations with an MRF operator within the parameters of obtaining the best commercial terms and as a minimum the ability to accept and sort the current materials collected. The figures presented within the report at para 5.2.1 below, reflect the pure commercial operational cost of the current and alternative services to provide a cost variance of the options presented. The commercial costs exclude management, overhead and profit and are not contract or budget costs.
- 1.10 The MRF operator has confirmed that all current dry recyclates can be processed. This will simplify future recycling guidance for residents and the associated implementation of a revised collection service as any change would only be to how recycling is stored not what can be recycled. This would maintain the Councils current position of collecting a wider range of plastics than all other North Yorkshire Councils with the exception of Scarborough.
- 1.11 Residents have consistently communicated their dissatisfaction with the current kerbside boxes for collection of recycling. A 2013 customer satisfaction survey showed that at that time, residents were less likely to be satisfied with the kerbside boxes provided for recycling collections than they were with wheeled bins provided for refuse and green waste collections. Although the survey was 5 years ago the current collection service remains the same and the feedback remains valid and relevant. The full satisfaction survey is attached as Appendix B. The Council receives weekly complaints about the current service in terms of requests for a wheeled bin recycling service, problems with wind-blown recyclates from the boxes and lack of recycling capacity. Anecdotal evidence suggests that when recycling boxes are full, residents are likely to dispose of additional recycling in their refuse bin rather than presenting extra waste, which reduces levels of recycling.
- 1.12 There is a strong economic and business efficiency case for a shift to a wheeled bin collection system for recycling. In terms of collection vehicles and fleet efficiency, wheeled bin collections are far more efficient than kerbside box collections as further evidenced by the consultancy work commissioned by the County Council. The Options Appraisal shows in more detail the average property numbers serviced per day for each waste stream and the associated fleet requirements. The current refuse collection fleet collects from

approximately 18% more properties per day than the kerbside collection fleet, despite the fact that refuse disposal requires travel to Rufforth (average 40 mile round trip) whilst recycling is bulked at Burn. The recent increase in residential development has also seen the service put under increasing pressure. Property numbers increased by 4.4% in the first 7 ½ years of the contract and have already increased a further 2.8% in the 21 months since the start of the extension period. A standard fleet would allow for greater flexibility and service efficiency across all three waste streams (refuse, green waste and recycling). For example in adverse weather such as heavy snow, the priority service is refuse collection and we currently re-deploy green waste vehicles to support these rounds. A standardised fleet would allow additional support in these situations.

- 1.13 A District wide collection round review was last undertaken in 2009 as part of the new contract mobilisation and move to alternate weekly collections. Since this date the numbers of domestic properties have increased by 2,497 or 7.4% more than in 2009. The change of service will require a review of all collection services and associated vehicle routing to be completed by this summer. The basis of the new collection service for all collections is to implement area based working. This method of working using a standard collection fleet and associated flexibility and efficiency has a number of advantages including;
- The ability to switch collection resources from one service to another at times of high demand such as Christmas and New Year.
 - The ability to more readily accommodate property growth within existing resource.
 - Maintain collection quality and catch up of any missed collections.
 - It is anticipated to result in less collection rounds and produce further financial efficiencies.
 - The ability to manage future changes in waste composition as the impact of the Waste Strategy reduces residual tonnages and increases recycling tonnages.

Any further efficiencies of operating this collection model will be captured as part of the formal contractual variation and be fed into the Councils savings plans.

- 1.14 The principle of area based working is for all routine collection services to be conducted on a geographical basis over the five day working week and fortnightly collection cycle. The District would be split into 10 collection areas or zones as set out indicatively in the example map below. A re-design of collections on this basis also provides the opportunity to deliver further efficiencies arising from the implementation of the Government's Waste Strategy 2018 as summarised above.



- 1.15 There is a drive nationally to see a standardisation of collection systems across the country and the results of a piece of research in to this by WRAP were published in 2017, in their Framework for Greater Consistency in Household Recycling in England. The three recommended options in their report all include separate food waste collections, there is also reference to consultation on the introduction of weekly food waste collections in the Government’s Waste Strategy published in December 2018. A decision to standardise the collection fleet would have no implications for the introduction of food waste collections in the future. The introduction of food waste collections would require bespoke collection vehicles, household containers and specific food waste collection rounds. However, as the new waste disposal facility at Allerton Park is designed to remove this type of waste, this review does not look at a separate food waste option.
- 1.16 The Waste Strategy 2018 published in December also references standardisation of materials to be collected and consistency of recycling collection systems to simplify the service for residents. The primary ambition of the strategy is to reduce waste to landfill to less than 10% by 2035 through a series of measures designed to reduce residual waste that in effect will increase recycling volumes and tonnages. The measures within the strategy are also planned to be enacted into legislation in 2023.
- 1.17 The impact of the various measures within the strategy will require more efficient recycling collection systems and increased recycling container capacity for households and conversely will lead to less residual waste being

generated. A combination of a standardised collection fleet and area based working may enable the delivery of further vehicle efficiencies arising from the implementation of the Waste Strategy 2018. Currently all residual waste collection rounds have to visit the tip twice a day with a full load as the first tip and a partial load at the end of the day. The impact of the Waste Strategy in reducing residual waste on collection rounds will result in the need for a single trip to the tip. The resulting saving in time will allow more properties to be serviced and therefore less collection rounds at a point in the future. The current annual cost of operating a collection vehicle is approximately £160,000.

- 1.18 On 23 January the Confederation of Paper Industries launched a new programme, Our Paper. The initiative, which has been developed in partnership with WRAP, aims to encourage Councils to provide separate collections of paper and cardboard to improve the quality and amount of material collected for recycling following changes in the world markets; in particular with regards to China's recent ban on the import of mixed paper and post-consumer plastics. The initial aims of Our Paper are to inform Councils of market changes and policy developments; assess the impact of existing collection systems and support the development of high quality services. A decision to standardise the collection fleet would provide the flexibility for the council to alter the materials collected separately should this become mandatory in the future.

2. Options Appraisal

Table A below shows the options that have been considered as part of the review and taken forward for commercial financial evaluation. Table B is a pictorial representation of the containers and collection frequencies over an 8 week period. Details of other options considered but discounted are contained within appendix A.

Table A

Option	Collection Frequency	Recycling Container	Collection Vehicle Type (Recycling)
3 – Maintain current service	Fortnightly	3 x 55 litre Boxes	Kerbsider
4 – Fully co-mingled service	Fortnightly	1 x 240ltr wheeled bin	RCV
4a – Twin stream service	Fortnightly	2 x 180ltr wheeled bin	70/30 Split body RCV
6 – Hybrid collection service	Alternate Fortnightly (paper & card) Alternate Fortnightly (glass, cans, plastics)	2 x 240ltr wheeled bin	RCV

Table B

	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	WEEK 6	WEEK 7	WEEK 8		Refuse
Option 3 - Maintain Current Service										Green waste
Option 4 - Fully Co-Mingled Service										Kerbside box collections
Option 4a - Twin Stream Service										Co-mingled recycling bin
Option 6 - Hybrid Collection Model										Paper/card recycling bin
										Glass / can / plastic recycling bin

Option 3 – Maintain current service using kerbside collection vehicles



Pro's	Con's
<ul style="list-style-type: none"> • Meet statutory legislation obligation to collect minimum 2 materials • Compliance with EU Waste Directive in relation to waste minimisation and recycling • Compliance with York and North Yorkshire Waste Partnership Strategy • Supports SDC Corporate priorities • Maintains current service 	<ul style="list-style-type: none"> • Current low customer satisfaction levels with containers • Does not address customers complaints relating to containment and wind-blown material • Maintains imbalance between capacity of recycling and landfill waste containers (165 litres versus 240 litres respectively) • Extra recycling disposed of in bin • Does not align with highest

<ul style="list-style-type: none"> • No additional communications required • Supports the maintenance of current recycling performance • No capital cost to replace containers • Budget neutral 	<p>performing LA's</p> <ul style="list-style-type: none"> • Unlikely to meet future legislation resulting from the Government's Waste Strategy 2018 • Does not maximise fleet efficiency and flexibility • Cost to SDC of replacing bespoke vehicles in 2020 for remainder of contract (4 years) with no residual value • Does not address plateauing recycling rates • Missed opportunity to reconfigure the service through contract extension • Missed opportunity to make contract savings • Does not address inability to provide co-mingled recycling collections for commercial customers as many private contractors can
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Option 4 – Introduce fully co-mingled recycling service using standard RCV's



Pro's	Con's
<ul style="list-style-type: none"> • Meet statutory legislation obligation to collect minimum 2 materials • Compliance with EU Waste Directive in relation to waste minimisation and recycling • Likely to support future legislation resulting from the Government's Waste Strategy 2018 • Compliance with York and North 	<ul style="list-style-type: none"> • Capital cost to purchase 40,000 wheeled bins and collection fleet • Storage of one additional wheeled bin • Gate fee for processing of comingled material at MRF • Cost of transporting material to MRF • Reduced income • Potential reduction in quality of

<p>Yorkshire Waste Partnership Strategy</p> <ul style="list-style-type: none"> • Supports SDC Corporate priorities • Address customer dissatisfaction with current containment and wind-blown material • Increase in recycling performance • Reduction in waste for disposal and associated savings for WDA (nett of recycling credit payments) • Increase in recycling credit income • Addresses imbalance between capacity of recycling and landfill waste containers (165 litres versus 240 litres respectively) • Extra recycling no longer disposed of in bin • Aligns with highest performing LA's • Maximises fleet efficiency and flexibility • Ability to provide wheeled bin collections for approx. 400 rural properties currently on a sack collection • Opportunity to reconfigure the service through contract extension • Flexibility of service to deal with increased property growth • Opportunity to make contract savings • Improved reputation • Customer convenience (listening to customer feedback) • Supports WRAP's voluntary standardisation of collection systems framework • Amey's ability to contract with MRF • Opportunity to increase commercial waste and recycling customer base • Reduction in contaminated recycling bins at communal properties and bring sites due to mixing of recyclates in existing bins • Reduction in cost of replacement containers 	<p>material collected</p> <ul style="list-style-type: none"> • Potential staff redundancies • Collection round changes • Additional cost of communications in relation to service changes
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<ul style="list-style-type: none"> • Maintains existing residual waste collection frequency 	
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Option 4a – Twin stream collection service using split body collection vehicles



Pro's	Con's
<ul style="list-style-type: none"> • Meet statutory legislation obligation to collect minimum 2 materials • Compliance with EU Waste Directive in relation to waste minimisation and recycling • Likely to support future legislation resulting from the Government's Waste Strategy 2018 • Compliance with York and North Yorkshire Waste Partnership Strategy • Supports SDC Corporate priorities • Address customer dissatisfaction with current containment and wind-blown material • Increase in recycling performance • Increase in recycling credit income • Reduction in waste for disposal and associated savings for WDA (nett of recycling credit payments) • Maintains income from sale of goods for paper/card • Potential reduction in MRF gate fee for glass, cans and plastic • Addresses imbalance between capacity of recycling and landfill waste containers (165 litres versus 240 litres respectively) • Extra recycling no longer disposed 	<ul style="list-style-type: none"> • Capital cost to purchase 80,000 wheeled bins and collection fleet • Higher capital and maintenance costs for split body collection vehicles than standard RCV's • Lack of standardisation of collection fleet • Storage of two additional 180 litre wheeled bins • Current rural round (400 properties) is unable to empty wheeled bins • Gate fee for processing of comingled material at MRF • Cost of transporting material to MRF • Reduced income • Potential staff redundancies • Collection round changes • Additional cost of communications in relation to service changes • Potential impact on frequency of some commercial collections • Negative feedback in relation to storage of two additional 180 litre wheeled bins

<p>of in bin</p> <ul style="list-style-type: none"> • Opportunity to reconfigure the service through contract extension • Flexibility of service to deal with increased property growth • Opportunity to make contract savings • Improved reputation • Customer convenience (listening to customer feedback) • Amey's ability to contract with MRF • Reduction in contaminated recycling bins at communal properties and bring sites due to mixing of recyclates in existing bins • Supports WRAP's voluntary standardisation of collection systems framework • Reduction in cost of replacement containers • Maintains existing residual waste collection frequency 	
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Option 6 – Hybrid Waste Collection Model using standard RCV's



Pro's	Con's
<ul style="list-style-type: none"> • Meet statutory legislation obligation to collect minimum 2 materials • Compliance with EU Waste Directive in relation to waste minimisation and recycling • Likely to support future legislation resulting from the Government's Waste Strategy 2018 	<ul style="list-style-type: none"> • Capital cost to purchase 80,000 wheeled bins and collection fleet • Storage of two additional 240 litre wheeled bins • Gate fee for processing of comingled material at MRF • Cost of transporting material to MRF • Reduced income

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| <ul style="list-style-type: none"> • Compliance with York and North Yorkshire Waste Partnership Strategy • Supports SDC Corporate priorities • Address customer dissatisfaction with current containment and wind-blown material • Increase in recycling performance • Increase in recycling credit income • Reduction in waste for disposal and associated savings for WDA (nett of recycling credit payments) • Maintains income from sale of goods for paper/card • Potential reduction in MRF gate fee for glass, cans and plastic • Addresses imbalance between capacity of recycling and landfill waste containers (165 litres versus 240 litres respectively) • Extra recycling no longer disposed of in bin • Ability to provide wheeled bin collections for approx. 400 rural properties currently on a sack collection • Maximises fleet efficiency and flexibility • Opportunity to reconfigure the service through contract extension • Flexibility of service to deal with increased property growth • Opportunity to make contract savings • Improved reputation • Customer convenience (listening to customer feedback) • Amey's ability to contract with MRF • Opportunity to increase commercial waste and recycling customer base • Reduction in contaminated recycling bins at communal properties and bring sites due to mixing of recyclates in existing bins • Supports WRAP's voluntary standardisation of collection | <ul style="list-style-type: none"> • Potential staff redundancies • Collection round changes • Additional cost of communications in relation to service changes • Potential impact on frequency of some commercial collections • Negative feedback in relation to storage of two additional 240 litre wheeled bins |
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systems framework <ul style="list-style-type: none"> • Reduction in cost of replacement containers • Maintains existing residual waste collection frequency 	
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Preferred Option Analysis

Preferred Option Analysis				
Theme	Option 3 – Retain Current Service	Option 4 – Fully Co-mingled Recycling	Option 4a – Twin Stream Service	Option 6 – Hybrid Collection Service
Meets statutory legislation obligation to collect minimum of two materials	Y	Y	Y	Y
Compliance with EU Waste Directive	Y	Y	Y	Y
Mitigates against impact of Waste Strategy 2018		Y	Y	Y
Compliance with Y&NYWP Strategy	Y	Y	Y	Y
Supports SDC corporate priorities	Y	Y	Y	Y
Addresses customer dissatisfaction with current containment		Y	Y	Y
Reduces issue of wind-blown recyclates		Y	Y	Y
Increase in recycling performance		Y	Y	Y
Increase in recycling credit income		Y	Y	Y
Maintains income from sale of goods for paper and card	Y		Y	Y
Increase in container capacity to address imbalance between residual waste and recycling		Y	Y	Y
Maximised fleet efficiency and flexibility		Y	Y	Y
Facilitates area based working		Y	Y	Y
Maintains current collection frequency	Y	Y	Y	
Ability to service		Y	Y	Y

communal areas				
Simplicity for residents		Y		
Affordability	Y			Y
Ability to deliver future efficiencies		Y	Y	Y
Standardised collection fleet		Y		Y
Enables expansion of commercial waste service		Y	Y	Y
Supports MRF development at Allerton Park		Y	Y	Y

- 2.1 From the above analysis, options 4, 4a and 6 all demonstrate equal merit for service change. However, options 4 and 4a are significantly more expensive to operate than options 3 and 6 although option 3 demonstrates the least positive analysis of all four options, is least popular with customers based on information contained in appendix B., and offers less resilience and scope for future efficiencies. Whilst the figures presented are for current costs option 3 offers no mitigation against future service changes and associated cost increases or support anticipated savings arising from a standardised collection fleet. In addition option 3 does not support delivery of the Waste Strategy 2018 or the development of an MRF at Allerton Park.
- 2.2 Option 6 therefore provides the best, most sustainable collection solution for Selby to meet current and future service requirements, the flexibility to manage change with the potential for delivery of further efficiencies in the future. This option will require capital expenditure to implement a wheeled bin collection service as detailed in section 5.2.4.
- 2.3 Based on the above analysis option 3 should be discounted as it does not provide the flexibility or long term economic viability based on the anticipated changes arising from the implementation of waste strategy 2018.
- 2.4 Whilst the above provides an operational analysis to inform decision making a public consultation exercise will be undertaken to factor this important element into a final options appraisal.

3. Time line

- 3.1 In order to ensure that Amey Plc has the vehicles required for the Councils collection service and that they are fit for purpose, Amey Plc fleet management require a 12 month lead time. The Council must therefore advise Amey Plc of any required changes by end of March 2019. The table below shows the timeline for decisions and associated service implantation.

Action	Date Required
Executive approval of Standardised collection fleet.	March 2019

Place order for new collection fleet (Amey Plc)	April 2019
Review all collection rounds to mobilise new service (Amey Plc)	April 2019 – March 2020
Conduct a public consultation exercise for the future of the recycling service in Selby	May 2019 – July 2019
Executive approve changes to collection and containment arising from consultation exercise including capital funding if required.	September 2019
Procure new containment infrastructure if required	September 2019
Commence customer and member communications (SDC and Amey Plc)	September 2019
Mobilise new service	January – March 2020
Commence new collection service	April 2020

4. Alternative Options Considered

The options are set out within Appendix A.

5. Implications

5.1 Legal Implications

5.1.1 The contract extension was granted in April 2017 and the associated break clause allowed the extension of the life of the fleet from seven to ten years. The extension also detailed a requirement for the Council to carry out a full service review to inform vehicle requirements beyond April 2020.

5.1.2 The replacement of a collection fleet requires a minimum period of twelve months from date of booking the build slots to ensure vehicle production, vehicle livery, installation and testing of company technology and driver and crew training and familiarisation. Contractually Amey are required to provide the services specified by the Council and therefore will have to place vehicle orders to deliver the current service if not advised by the Council of a service change requiring different vehicles. A decision to standardise the collection fleet enables Amey to book build slots and deliver contractual commitments whilst allowing final decisions to be made about the collection services.

5.1.3 The Council has a mandatory requirement under the Environmental Protection Act to provide a recycling collection of at least two materials, although it can determine how and when it provides collections.

5.1.4 The European Waste Framework Directive 2008/98/EC states the need for separate collections of paper (including cardboard) where 'technically, environmentally and economical practicable and appropriate to meet the necessary quality standards for the relevant recycling sectors'.

5.2 Financial Implications

5.2.1 The figures provided below are based on Amey plc funding the vehicles, however there may be cost savings should the Council fund the vehicles once final build costs are known. Discussions are taking place on this matter which if agreed would also reduce risk for both parties in terms of business risk to Amey and service continuity for the Council.

5.2.2 The financial information below shows the commercial net cost of each recycling option analysed within this report together with the cost variance to the current service.

	Current Service	Co-Mingled recycling	Twin Stream recycling	Hybrid recycling
Net Cost	£883,820	1,127,388	1,005,698	904,085
Variance		243,568	121,878	20,265

5.2.3 The figures presented exclude the capital cost of containers for each option to show the revenue implications of each option and the associated impact on revenue budgets.

5.2.4 Any change in service will require the one-off purchase of new bins. This capital cost is illustrated below and would need to be met by the Council. The Council does not have specific budgets or reserves set aside for this expenditure but has £1.2m uncommitted capital receipts (from the previous sale of General Fund assets) that could be used, subject to Council approval.

	Option 3 Current Service	Option 4 Fully Co- Mingled	Option 4a Twin Stream	Option 6 Hybrid Collection
No of bins ('000)	-	40	80	80
Cost per bin (£)	16.59	14.50	13.50	13.50
Est capital outlay (£k)	-	580	1,080	1,080

5.2.5 A change in service will allow the ability to maximise fleet efficiency and flexibility. This may provide the option for further savings in collection costs not included in the analysis above, but more work is required to understand the scope of this and a detailed appraisal will be undertaken to support any proposed changes following public consultation.

5.3 Policy and Risk Implications

Maintaining the current service has the greatest risk for Selby in terms of unavoidable future costs arising from Waste Strategy impact and / or Allerton Park impact. This would also limit the options to manage the anticipated changes from the implementation of the waste strategy 2018 increasing the risk of further capital expenditure to meet future service changes.

The risk implications associated with implementing option 6 revolve around service change, which are manageable, the Council and Amey PLC have experience of implementing such service changes. The implementation plan will include a project risk register to aid risk mitigation and therefore risk would be well managed. The elected member task and finish group will provide added mitigation and supports effective communications and engagement as part of the risk management strategy.

5.4 Corporate Plan Implications

By appraising the options for domestic recycling the Council is 'making a difference' through the communication and feedback process that will take place, involving residents and stakeholders in the things that we are planning to do and 'delivering great value' through listening to customers about what matters to them around this element of service, and working with our delivery partner to develop great value options.

5.5 Resource Implications

Implementing any change to the collection services will require significant forward planning and staffing resources to communicate and manage the change in 2020, although it is anticipated that workloads can be scheduled around this to manage within existing resources. Consultation costs will be met from within existing budgets and service mobilisation.

5.6 Other Implications

These have been considered within the body of the report

5.7 Equalities Impact Assessment

The options identified all use current collection systems and the Council does provide an assisted collection service to residents in need. Whilst a full equality impact assessment will be done once a preferred option decision is made it is unlikely that any service change will have any additional adverse impacts..

6. Conclusion

- 6.1 The recommendation enables meaningful progress to be made to improve the service to customers, maximise recycling whilst also addressing the issues within the Waste Strategy 2018.

7. Background Documents

Waste Strategy 2018

8. Appendices

- A. Appendix A Recycling Service Options Appraisal
- B. Appendix B Household Waste and Recycling Satisfaction Survey 2013

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