



# Report Reference Number: E/19/10

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Ward(s) Affected:	All
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Lead Executive Member:	Cllr Chris Pearson, Lead Executive Member for Housing, Health and Culture
Lead Officer:	Julie Slatter, Director of Corporate Services and Commissioning

## Title: Future options for the recycling collection service

### Summary:

This report sets out the Council's options for the future waste and recycling service following the Executive decision in March 2019 to replace the collection fleet with standard rear loading vehicles with operational effect in 2020 / 2021 and to conduct a public consultation exercise to inform the decision.

The consultation questionnaire is shown in appendix A.

#### **Recommendations:**

#### It is recommended that:

- i. The Executive approve the implementation of a wheeled bin recycling service utilising two wheeled bins per household for all suitable properties.
- ii. The Executive approve the development of bespoke containment and collection arrangements for those properties that are unable to accommodate a two wheeled bin collection service.
- iii. The Executive recommend to Full Council the funding for the purchase of wheeled bins from capital receipts in the current financial year and the scheme is added to the capital expenditure programme for 19/20.

iv. The Executive recommend to Full Council the funding of the replacement fleet from prudential borrowing in the current financial year and the scheme is added to the capital expenditure programme for 19/20.

### **Reasons for recommendation**

The contract extension in March 2017 required the current collection fleet to be operated beyond 7 years as specified within the original contract to a maximum of 10 years by March 2020.

Officers have explored the option of the Council funding the replacement fleet rather than Amey plc. Based on a capital replacement cost of £4 million and current public works loan board rates the Council could accrue a revenue saving of £552K over a 9 year loan period compared with Amey plc cost of borrowing.

A four week consultation exercise has been concluded with the overwhelming majority of responses in favour of moving to a wheeled bin service. In summary the consultation received 6,726 responses with 86% of responses in favour of a wheeled bin recycling service and 82% of responses agreeing with a two bin system. In addition 65% of respondents advised they would recycle more of their waste if the Council was to implement a wheeled bin service.

### 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 commenced in April 2017 and included a review of the collection requirements to inform vehicle replacement from April 2020 onward. The collection service review was presented to the Executive in March 2019 who approved the replacement of the collection fleet with standard rear loading vehicles to be operational in 2020 / 2021. The Executive also approved a consultation exercise to be conducted to inform future decisions regarding the recycling service.

### **Public Consultation Results**

1.2 A four week public consultation exercise commenced on 30<sup>th</sup> May 2019 concluding on 26<sup>th</sup> June 2019. The consultation was launched with a specially commissioned animation to help explain to residents the options being considered. Alongside this was a media release issued to local press and radio stations as well as all Members and Parish Councils, and social media posts on the Councils Facebook and Twitter pages. The animation received almost 13,000 views and the posts were shared by residents and local community groups 170 times given a total reach of just over 30,000. A number of Parish Councils also shared the consultation on their websites further increasing coverage.

- 1.3 The consultation consisted of 5 questions (appendix A) and whilst primarily conducted online, hard copies were initially made available on request or to collect from the Customer Contact Centre and Selby AVS. Hard copies were subsequently provided to a number of parish councils. The total number of responses received was 6,726 of which 44 were hard copies giving a 99.9935% online submission rate compared to hard copy.
- 1.4 An analysis of the responses was carried out and the headline results are as follows.
  - 15.7% of responses said that the Council should retain the existing kerbside box system.
  - 86% thought the Council should move to a wheelie bin system.
  - Some respondents selected yes to both of these options which is why this figure comes to more than 100%.
  - 65% said they would recycle more of their waste if the Council moved to a wheelie bin system with 33% saying they would recycle the same amount as they do currently.
  - 82% said that if the Council moved to a two bin system they would agree with this.
- 1.5 We had anticipated that residents living in a terrace / town house or bungalow may be less likely to support a wheeled bin system than those living in a detached / semi-detached house but there was generally no significant difference with over 81% of all property types supporting a move to a wheelie bin system. The table below shows a summary of responses by property type.

	Terrace / town house	Detached / semi-detached house	Detached / semi- detached bungalow	Flat / apartment	Other / no answer
% of respondents who thought the Council should keep the existing service using kerbside boxes	14.57	15.47	21.21	12.20	17.65
% of respondents who thought the Council should move to a wheelie bin recycling service	86.85	86.29	81.03	91.87	82.35
% of respondents who said they would recycle more of their waste through a wheelie bin system	69.44	65.63	53.62	72.36	64.71
% of respondents who would agree with the Council moving to a two wheelie bin system	78.90	83.35	79.83	86.18	70.59

- 1.6 It is clear from the number of consultations received together with the results as set out above that householders are overwhelmingly in favour of a wheelie bin service that uses two wheelie bins and residents will recycle more than they currently do. We are aware that some bespoke services will be required for a small number of properties which are not suitable for wheelie bin collections. This is in line with a range of collection options that are currently offered for refuse collection, ranging from sack collections to shared / communal bins.
- 1.7 The consultation included space for additional comments and of the 6,726 responses received 2,218 included additional comments. Due to the free text nature of the comments it is difficult to categorise all the comments received. However as an example a search of key terms shows the following:
  - Reference to Council Tax 96
  - Reference to litter from boxes 93
  - Questions regarding food waste collections 103
  - Current capacity issues 120

### **Replacement Fleet**

- 1.8 Amey plc commenced a review of all collection services towards the end of 2018 to identify the most efficient collection service utilising standard rear loading vehicles. A full collection round re-balancing exercise takes between 6 to 12 months to complete and the initial results of the exercise were used to inform the fleet replacement decision in March 2019. The outcome of using standard rear loading vehicles was to reduce the fleet requirements by two vehicles.
- 1.9 Officers have explored options for the financing of the replacement fleet including the Council funding the capital cost rather than Amey Plc to maximise financial savings to the Council. The capital cost of 22 vehicles is significant at approximately £4 million and the financial analysis based on a 9 year loan / lease period will result in a saving of £552K over the loan period if the Council funds the fleet replacement against the cost of the contract. This will require a European Union compliant public procurement exercise and officers have identified suitable frameworks that can be accessed. In addition Amey Plc fleet meets the service requirements as well as delivery and implementation issues are fully managed.
- 1.10 In addition to a cashable saving from the Council funding the fleet there are additional benefits for service continuity and risk management that will also arise from the Council funding the fleet. Delivery of the new fleet will be in 2020 / 2021 and it will have an operational life of 9 years although the current contract will only have four remaining years to run. Council ownership of the fleet will allow the Council to provide the fleet as part of any new contract and so maintain financial savings. It also negates the risk of service disruption should vehicle transfers prove problematic between incoming and outgoing

contractors. In addition should the current service provider cease operating for any reason the fleet is in Council ownership and therefore remain available to provide the service.

1.11 The Council will have to make ongoing financial provision to replace the fleet after 9 years in 2029 to ensure future service budgets reflect the Council funding future fleet requirements.

### Recycling service business case and options appraisal

- 1.12 The business case and options appraisal developed jointly between the Council and Amey Plc was presented to the Executive in March 2019 to inform the decision to replace the collection fleet.
- 1.13 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.
- 1.14 Amey Plc have concluded commercial negotiations with a Materials Recycling Facility (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 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.
- 1.15 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.
- 1.16 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 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. This is further supported by a number of the comments received as part of the recent consultation exercise.

- 1.17 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. 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 2.1% in the 26 months since the start of the extension period. The standard fleet will 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 redeploy green waste vehicles to support these rounds.
- 1.18 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 2,231 or 6.6% 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 2019. The basis of the new collection service for all collections is to implement area based working (see 1.19). 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 fewer 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.

1.19 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.



# 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 (1,2 & 5) considered but discounted are contained within the recycling service options appraisal.

### Table A

Option	Collection Frequency	Recycling Container	Collection Vehicle Type (Recycling)
3 – Maintain current service	Fortnightly	3 x 55 litre Boxes	RCV
4 – Fully co-mingled service	Fortnightly	1 x 240ltr wheeled bin	RCV
6 – Hybrid collection service	Alternate fortnightly (paper and card) Alternate fortnightly (glass, cans, plastics)	2 x 240ltr wheeled bin	RCV



Option 3 – Maintain current service using standard RCV's



Pro's	Con's
<ul> <li>Meet statutory legislation</li> </ul>	<ul> <li>Public consultation results do not</li> </ul>
obligation to collect minimum 2	support this service

<ul> <li>Compliance with EU Waste Directive in relation to waste minimisation and recycling</li> <li>Compliance with York and North Yorkshire Waste Partnership Strategy</li> <li>Supports SDC Corporate priorities</li> <li>Maintains current service</li> <li>No additional communications required</li> <li>Supports the maintenance of current recycling performance</li> <li>No capital cost to replace containers</li> <li>Budget neutral</li> </ul>	<ul> <li>Will require an additional 2 vehicles due to inefficiencies of emptying boxes into slave bins.</li> <li>Negative publicity from emptying boxes into wheeled bins and associated inefficiencies.</li> <li>Current low customer satisfaction levels with containers</li> <li>Does not address customers complaints relating to containment and wind-blown material</li> <li>Maintains imbalance between capacity of recycling and landfill waste containers (165 litres versus 240 litres respectively)</li> <li>Extra recycling disposed of in refuse bin</li> <li>Does not align with highest performing LA's</li> <li>Unlikely to meet future legislation resulting from the Government's Waste Strategy 2018</li> <li>Does not maximise fleet efficiency and flexibility</li> <li>Cost to SDC of replacing bespoke vehicles in 2020 for remainder of contract (4 years) with no residual value</li> <li>Does not address plateauing recycling rates</li> <li>Missed opportunity to reconfigure the service through contract extension</li> <li>Missed opportunity to make contract savings</li> <li>Does not address inability to provide co-mingled recycling collections for commercial customers as many private contractors can provide this.</li> </ul>

# Option 4 – Introduce fully co-mingled recycling service using standard RCV's



#### Pro's

- Supports public consultation preference for a wheeled bin service
- 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
- Reduction in waste for disposal and associated savings for the Waste Disposal Authority (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

### Con's

- 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 material collected
- Potential staff redundancies
- Collection round changes
- Additional cost of communications in relation to service changes

<ul> <li>Ability to provide wheeled bin collections for approx. 400 rural properties currently on a sack collection</li> <li>Opportunity to reconfigure the service through contract extension</li> <li>Flexibility of service to deal with increased property growth</li> <li>Opportunity to make contract savings</li> <li>Improved reputation</li> <li>Customer convenience (listening to customer feedback)</li> <li>Supports WRAP's voluntary standardisation of collection systems framework</li> <li>Amey's ability to contract with MRF</li> <li>Opportunity to increase commercial waste and recycling customer base</li> <li>Reduction in contaminated recycling bins at communal properties and bring sites due to mixing of recyclates in existing bins</li> <li>Reduction in cost of replacement containers</li> <li>Maintains existing residual waste collection frequency</li> </ul>	

# **Option 6 – Hybrid Waste Collection Model using standard RCV's**



Pro's	Con's
<ul> <li>Public consultation results</li></ul>	<ul> <li>Capital cost to purchase 80,000</li></ul>
overwhelmingly support this	wheeled bins and collection fleet

### service

- 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 of in refuse 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

- 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
- 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

<ul> <li>Opportunity to increase commercial waste and recycling customer base</li> <li>Reduction in contaminated recycling bins at communal</li> </ul>	
properties and bring sites due to mixing of recyclates in existing bins	
<ul> <li>Supports WRAP's voluntary standardisation of collection systems framework</li> </ul>	
<ul> <li>Reduction in cost of replacement containers</li> </ul>	
<ul> <li>Maintains existing residual waste collection frequency</li> </ul>	

# Preferred Option Analysis

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Theme	Option 3 –	Option 4 –	Option 6 –
	Retain	Fully Co-	Hybrid
	Current	mingled	Collection
	Service	Recycling	Service
Meets statutory legislation	Y	Y	Y
obligation to collect			
minimum of two materials			
Compliance with EU	Y	Y	Y
Waste Directive			
Mitigates against impact of		Y	Y
Waste Strategy 2018			
Compliance with	Y	Y	Y
Y&NYWP Strategy			
Supports SDC corporate	Y	Y	Y
priorities			
Addresses customer		Y	Y
dissatisfaction with current			
containment			
Public consultation			Y
preferred service option			
Reduces issue of wind-		Y	Y
blown recyclates			
Increase in recycling		Y	Y
performance			
Increase in recycling credit		Y	Y
income			
Maintains income from			Y
sale of goods for paper			
and card			

Increase in container		Y	Y
capacity to address			
imbalance between			
residual waste and			
recycling			
Maximised fleet efficiency		Y	Y
and flexibility			
Facilitates area based		Y	Y
working			
Maintains current	Y	Y	
collection frequency			
Ability to service		Y	Y
communal areas			
Simplicity for residents		Y	
Affordability			Y
Ability to deliver future		Y	Y
efficiencies			
Standardised collection		Y	Y
fleet			
Enables expansion of		Y	Y
commercial waste service			
Supports MRF		Y	Y
development at Allerton			
Park			

- 2.1 From the above analysis, options 4 and 6 all demonstrate equal merit for service change and are supported by the consultation response with option 6 being the preferred wheeled bin service option. However, options 3 and 4 are significantly more expensive to operate than option 6. Option 3 demonstrates the least positive analysis of all four options, is also the least popular with customers based on information resulting from the recent public consultation summarised in paragraph 1.4 above and the household waste and recycling satisfaction survey 2013.
- 2.2 Option 6 therefore is not only the customer consultation preferred service it provides the most sustainable collection solution for Selby to meet current and future service requirements. It provides the flexibility to manage change and the potential to deliver 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 is least popular with residents based on information resulting from the recent public consultation summarised in paragraph 1.4 above and the household waste and recycling satisfaction survey 2013. This option does not maximise the efficiency of a new fleet and is the most expensive to maintain when compared to a wheeled bin system.

## 3. Time line

3.1 Set out below is the timeline of key actions since the Executive approval to replace the fleet with standard rear loading vehicles.

Action	Date Required	Status
Executive approval of Standardised collection fleet.	March 2019	Completed
Book build slot with	April 2019	Completed
manufacturer for new		
collection fleet (Amey Plc)		
Review all collection rounds	April 2019 – March	Ongoing
to mobilise new service	2020	
(Amey Pic)	May 2010 July 2010	Completed
evercise for the future of the	May 2019 – July 2019	Completed
recycling service in Selby		
Assess financial benefit of the	June 2019	Completed
Council funding the		
replacement fleet.		
Agree legal and procurement	June 2019	Completed
issues to be addressed for		
fleet funding	1	
Set up cross party elected	June 2019	Completed
Agree work programme for	July 2010	Completed
T&F group	July 2019	Completed
Executive approve changes	September 2019	
to collection and containment		
arising from consultation		
exercise including capital		
Procure now containment	Octobor 2010	
infrastructure if required		
Commence customer and	October 2019	
member communications		
(SDC and Amey Plc)		
Mobilise new service	April 2020	
Commence new collection	July 2020	
service		

# 4. Alternative Options Considered

All options considered are set out within the recycling service options appraisal

# 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, 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.
- 5.1.3 The funding of the fleet by the Council requires a European Union public procurement exercise to be undertaken by the Council with detailed technical specification developed in conjunction with Amey fleet management. Compliant procurement frameworks are available to the Council
- 5.1.4 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.
- 5.1.5 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 report covers two areas where there are key financial implications. The first is the acquisition of the vehicles by Selby District Council rather than the current arrangement of leasing the vehicles as part of the Amey Plc contract. The second is the change to the new wheeled bin service, including the purchase of the bins. Both of these options are modelled below, including the saving that they are expected to generate.
- 5.2.2 The option of purchasing the vehicles ourselves versus continuing to lease the vehicles through the Amey Plc contract has been modelled based on the assumption that we would need to replace the fleet every 9 years. The saving is generated based on the preferential borrowing rates that Selby District Council can achieve against the reduction in the contract of £660k that Amey Plc have confirmed. The results are shown below and demonstrate a £185k saving per annum over 9 years subject to final tendered prices for the vehicles.

Cost to Selby of Acquiring the Vehicles				
Total Capital Cost	PWLB (1.84%) discounted by 0.2%	Selby Annual Cost	Amey Annual Contract Saving	Annual Saving
153,531.85				
172,828.63				
3,615,309.40				
3,941,669.88	4,271,894.62	474,654.96	-660,000.00	-185,345.04

- 5.2.3 The financial business case works on the prudent assumption that the vehicles would be purchased through borrowing, and that is the recommendation with the flexibility to reassess whether borrowing would be required nearer the time. The saving illustrated above has been modelled based on borrowing the money at PWLB less 0.2%.
- 5.2.4 The second financial assessment relates to the change to a wheeled bin service. There are two key financial impacts from this change in service. The first is the up-front purchase of the new bins and the second the impact that the change would have on the delivery of the service, including collection costs, fees and recycling credits.
- 5.2.5 The table below lays out the estimated cost of the bins and distribution for each of the options detailed in the paper. This cost would need to be from borrowing or reserves.

	Option 3	Option 4	Option 6
	Current	Fully Co-	Hybrid
	Service	Mingled	Collection
No of bins ('000)	-	37.2	74.4
Cost per bin (£)	16.59	16.00	16.00
Distribution (£)		40,000	40,000
Est capital outlay (£k)	-	635.2	1,310.4

5.2.6 It is anticipated that with any change in the nature of the service, there will be a financial impact. The table below illustrates the anticipated impact on revenue under each of the options, with only option 6 resulting in a saving. The other two options will result in an additional cost to the Council which would require additional savings to be found in order to balance the budget.

	Current Service	Option 3	Option 4	Option 6
	Current Service	Box collection with RCV's	Fully Co- Mingled	Hybrid collection
Collection Cost	1,052,480.02	1,175,685.02	862,169.02	862,169.02
Gate Fee MRF			36,421.38	- 35,564.98
Haulage to MRF			152,664.47	74,611.85
Material Bulking	120,000.00	120,000.00	120,000.00	120,000.00
Box Replacement	24,310.00	24,310.00		
Bin Replacement			4,977.00	9,954.00
Collection Cost	1,196,790.02	1,319,995.02	1,176,231.86	1,031,169.88
Recycling credit tonnage increase			- 48,843.15	- 32,562.10
	404 400 07			0.4 500.05
Income from material sales	- 181,409.67			- 94,522.05
Net Cost	1,015,380.35	1,319,995.02	1,127,388.71	904,085.73

- 5.2.7 Based on borrowing the money to purchase the bins, Option 6 which generates a saving would payback the investment in 14 years. The ongoing cost of replacing the bins thereafter would be lower than the cost of the current box replacements, and as such after the initial investment this would be incorporated within existing budgets.
- 5.2.8 There will also be one off costs for implementing the new service including but not limited to letters to all households, elected member packs, Press notices, Social media animation and bin stickers. Estimated costs for the implementation are approximately £20,000
- 5.2.9 A change in service will allow the ability to maximise fleet efficiency and flexibility. This will provide the option for further savings in collection costs not included in the analysis above, but is subject to the Executive decision as to the preferred option and will be factored into the contractual negotiations and the Medium Term Financial Strategy.

### 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 would 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' though 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 staffing resources.

### 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 which include bespoke solutions for locations with potential storage and presentation issues. In addition the service design includes the flexibility to provide appropriate containment and assistance to meet individuals with protected characteristics need to access the service.

### 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 Recycling Service Options Appraisal Household Waste and Recycling Satisfaction Survey 2013 Customer comments from public consultation exercise

### 8. Appendices

A. Public consultation questionnaire

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