

## Notes of the Waste Strategy Task and Finish Group meeting held on Tuesday, 22 November 2016, 6:30pm

**Present:** Councillors D McCall, D Hopkins, V McPake, M Petchey and D. Hosking

**Officers:** D McKenzie (Overview and Scrutiny Officer)

**Apologies:** Councillor A Webb

### WELCOME & INTRODUCTIONS

Councillor D McCall welcomed Members, officers and the Cabinet member to the meeting.

He also extended an apology for Cllr. McPake who although at the meeting would leave before its conclusion due to another engagement.

### DISCLOSURE OF INTEREST

None

### MINUTES

That the Minutes of the meeting of the Task and Finish Group held on 26 October 2016 be approved and signed by the Chair as a correct record.

### REVIEW OF SHORTLIST WITH THE VARIED OPTIONS/PILOTS CONSIDERED IN DEVELOPMENT OF THE NEW WASTE STRATEGY BROKEN DOWN INTO COSTS, BENEFITS, MEDIUM TERM FINANCIAL PLANS/PROJECTS.

Witnesses: Councillor M Gowan (Cabinet Member- Public Realm), David Proctor (Waste Contracts Manager) and Andy Hudson (Head- Environment and Waste).

The Group received an oral presentation which outlined a shortlist of options/pilots considered in development of the new Waste Strategy along with the associated costs, benefits, and medium term financial plans/projections of these options.

In this presentation it was pointed out that:-

- A 54% target for recycling in the borough was being met.
- A recent survey revealed that customers had a 90% satisfaction level with waste collection.
- In 2013 a refresh was done of the Council's Waste Strategy.
- A focus for the Council in development of a new Waste Strategy was to bring about efficiency savings.
- The Waste Service's actions in developing of the new Strategy were wide ranging covering waste collection to waste treatment.
- Waste service contracts were being reviewed with the potential cancellation of

some contracts including 59 Contracts models with 7-10 year life spans, with extending current contracts being an option.

- Foster Wheeler (Amey Environmental Services) had been employed by the Council to provide consulting services for the models considered in development of the new Waste Strategy.
- Amey was working closely with the Waste Strategy's project team on an options appraisal report. The fee being given to Amey for consultancy advice would be provided to the Group.
- Regular contact was maintained by the Waste Service with Councillor Gowans and a cross party group so as to ensure that political representatives were well informed of review actions being taken.
- A November 2016 timetable was set for completion of the short list of options to be considered for the new Waste Strategy.
- Several themes were evaluated in the shortlisting of model options including savings, "bang for buck", commercial potential, environmental impact, and impact on residents.
- An Initial 165 model options had now been reduced to 65 options.
- Insourcing of contracts and collection frequency was considered in development of the new strategy.
- Community recycling centres have been reduced from 3 to 1.
- Potential development of a super waste recycling site was being considered in the new Waste Strategy.
- Collection and processing trade waste was a viable option, and will be a target for the new Waste Strategy.
- 23 collection options were being considered with the new Waste Strategy ranging from frequency, different bins, vehicles, and manpower hours. A major piece of work as relates to this particular modelling was currently ongoing.

The Group was advised that the shortlisted models were currently being reviewed by the Finance Service, and further action by the Waste Service was pending the review's outcome. Next steps outlined by officers were:

1. MK Finance would meet with Gill King (Waste Strategy Programme Manager) on 23<sup>rd</sup> November.
2. High level finance model review is to be done.
3. Detailed appraisal work to commence in December 2016.
4. Final model options to be decided in January 2017.

Following the presentations from officers, Cllr. Gowan outlined to the Group the Council administration's views in respect of development of the new Waste Strategy:-

- Finance and efficiency savings was a big driver for the new Waste Strategy.
- £500, 000 in savings was being targeted for the Waste Service.
- The Council experienced a 1.6% increase in waste collection pressure. each year.
- The emphasis of the Council's administration with the new Waste Strategy was to reduce costs, rather than earn revenue.
- Accessibility of waste services was also a driver for the new Waste Strategy

- 3-4 weekly collection is not a model option which will be adopted by the Council's administration.
- The practice of alternate weekly waste collection which was done by many Local Authorities was politically acceptable for the administration.
- A charge for garden waste collection would be difficult for some residents to accept, but was necessary to reduce waste collection costs.
- Food waste collection was an interesting option for consideration in the New Waste Strategy.

In answer to questions, the Committee noted:

- a) Any reduction in carbon emission in the borough with the new Waste Strategy would have no tangible impact on financial savings.
- b) Each collection model option took into account the "waste flow"; i.e. waste collection to processing and recycling. This approach had revealed that collecting things separately was a significant contributor to waste costs incurred by the Council.
- c) Financial data for each model option would cover a period, but there was a one off revenue cost to cover communications associated with implementation of the new Waste Strategy.
- d) Precise savings information could not as yet be provided to the Group as modelling was currently being undertaken by the Financial Service.

In discussion the Group considered whether revenue could be raised from charging Parish Councils for waste services provided at their local level. The Group also expressed concern that the £500,000 savings figure being targeted by the Council for the Waste Service was not as great as had been hoped. The Group queried therefore whether this was value for money relative to the effort and resources invested in development of the new Waste Strategy.

The Group noted:

- e) Tom Blackburn Maize (Service Director- Public Realm) had in presentations at forums advised that some costs such as landscaping costs would soon be borne by Parish Councils.
- f) The Council would be receptive if Parish Councils offered to pay the Council for waste collection services, but that the Council was limited in being able to compel Parish Councils to make this payment as the Council had a statutory obligation to provide waste collection services throughout the borough.

The Group highlighted the risk of capital and contract costs which could potentially be incurred with changes to methods of waste collection. The example was given of the use of pink sacks which was a revenue cost for the Council, compared to wheelie bins which would constitute a capital cost for the Council. The Group also expressed concern that some areas in the borough were not suited for waste collection via wheelie bins for example terraced houses. A broad example was given of Greater Manchester which had many Victorian terrace houses and for which wheelie bins had been found not to be very suitable. The possibility was therefore raised of potential limitation in some of the models used for development of the New Waste Strategy.

The Group heard :

- g) Any weekly waste collections would be in sacks, and anything beyond this period would be collected via wheelie bins. Glass would be collected weekly in a separate wheelie bin.
- h) Best practice in waste collection for different property types was known by the Waste Service, and would be provided to the Group for its information.
- i) An assumption that with the new Waste Strategy is that work with current contractors would continue. This was especially since savings had been accrued with Serco, and it would be cost prohibitive for the Council to break the contract with Serco as there was between 20-23 years remaining on this contract. The collection methodology would also have to be changed.

The Group raised a concern as regards graffiti service provision in the borough and expressed the view that it was not adequate in some areas. An option of loaning anti-graffiti kits to Parish Councils was suggested by the Group as had been done by the Council in the past.

The Group heard that:

- j) The Council does not receive a lot of complaints regarding graffiti, but graffiti that was obscene or offensive was given priority in removal, complimented by rapid reaction around street cleansing.
- k) Customer satisfaction ratings had been factored into the financial modelling for the new Waste Strategy, and customer statistics as relates to alternate weekly collection from other Serco contracts would be shared with the Committee.

Garden waste collection was an area focussed on in discussion by the Group. The Group queried its associated revenue cost, and whether it was included in the £500,000 savings being targeted in the new Waste Strategy. It was also queried by the Group as to whether modelling had been done on the impact of different charging levels.

The Group noted:

- l) Waste collection modelling had been done as to the impact of different charging levels for garden waste.
- m) Modelling had revealed that a £35 charge would produce a 25% uptake of houses, estimated as 100,000 properties. Modelling figures were however not exact as there was currently not a 100% take up of garden waste services.

The Group considered the Budget Scrutiny Committee's identification of savings as being possible if the Council took on responsibility for commercial waste collection and processing. It was suggested that small businesses such as fast food shops should be charged for waste collection and this could constitute a source of revenue for the Council.

The Group noted:

- n) Currently a lot of trade waste was collected and disposed of by the Council at no charge to businesses.
- o) Amey's advice was that there exists a market for collecting the waste of small business.

The Group expressed a concern that recycling rates appear to be falling with the various model options for the new waste Strategy.

The Group heard:

- p) Any potential fall in recycling rates in the borough was a valid concern in light of national waste performance indicator NI192 (Percentage of household waste that is sent for reuse, recycling or composting), regarding which the Service was determined to have a very good performance indicator result
- q) With the Council's new waste recycling plant, kitchen waste no longer had to be collected separately.
- r) Communication was a key tool to aiding continued recycling in the borough.

The Group heard:

- s) That this had been factored into the waste collection models.
- t) Best practice as regards various property types was known by the Waste Service, and could be provided to the Group for its information.

The Group concluded discussion of the presentation by stressing the importance of it being provided financial modelling data for the New Waste Strategy so as to inform the Group's recommendations. It was expressed that this lack of data undermined effective scrutiny, and meant the Group was "operating blind".

The Group noted :-

- u) That the Council's administration was awaiting data from the Finance Service so as to make a decision regarding the New Waste Strategy.
- v) The Group would be provided financial modelling data by the Waste Service for the Group's next meeting.

The Chair thanked the presenters for their presentation to the Group.

#### RESOLVED

1. That the Group draft a preliminary report with recommendations based on information to date received by the Group.
2. That the Group note that the new Waste Strategy was being developed with many assumptions, but model options were qualified at a high level.
3. That the Group note that both Waste Services officers and consultants had made assumptions.
4. That the Group note that an option for the new Waste Strategy is for waste services to remain as they currently are in the borough.

## **WORK PROGRAMME**

The Group considered the Work Programme.

### **RESOLVED**

1. 14 December 2016- Strategy direction based on evidence gathered and particular option(s) chosen.
2. A Group meeting after the December 2016 meeting might be necessary due to the lack of adequate data such as financial modelling data received from the Waste Service to date.

**THE CHAIR CLOSED THE MEETING AT 7:40PM**

DRAFT