
TITLE: WASTE SERVICE OPTIONS REVIEW

Committee: Regulatory & Support Services Committee

Date: 13 June 2016

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[R16]

1.0 ISSUE

1.1 Establishment of a review of waste service delivery options beyond the Council's current contract term.

2.0 RECOMMENDATION(S)

2.1 Members are requested to:-

(1) Approve the establishment of a Waste Services Review Working Party comprising 3 Members of the Council (2 Conservative and 1 Liberal Democrat) to consider options for waste service delivery beyond the current contract term to 31 March 2018 (as defined in Appendix 1);

(2) Request that the Working Party detail the options and recommendations presented to the meeting of this Committee of 23 January 2017;

(3) That the recommendations of this Committee are taken to the Full Council meeting of 23 February 2017 for final agreement.

3.0 BACKGROUND/OPTIONS

3.1 The Council currently has a contract with Veolia for the provision of waste collection and cleansing services due to end on 31 March 2018.

3.2 The contract commenced on 1 April 2008, with an initial contract period of 7 years to 31 March 2015. A further extension period of up to 4 years was available to 31 March 2019 if mutually agreed.

3.3 During 2011 a review of options for beyond the contract end was undertaken. Proposals were provided for provision of a variety of service formats by Veolia and a number of neighbouring councils.

3.4 In 2012 the Department of Communities & Local Government (DCLG) invited bids for grant funding through its 'Weekly Collection Support Scheme'. The fund aimed to support councils providing weekly refuse collections to improve their recycling services.

- 3.5 The Council submitted a bid for funds to change its recycling service from separate collection of paper, glass & cans using a recycling box to comingled collections using wheeled bins. The new service would allow collection of a wider range of materials to include plastics & cartons, as well as moving cardboard from collection for composting to a higher value use for recycling. The bid also included changing food and garden waste collections from paper sack to wheeled bin collections.
- 3.6 The Council's bid was successful and a grant of £5 million was provided to purchase vehicles & bins, fund additional temporary staff and promotional activities to support service changes.
- 3.7 New services were introduced over a 10 week period between September and November 2013.
- 3.8 The outcome of the review of options suggested that extension of Veolia's current contract represented the best financial option to the Council. On 1 July 2014 this Committee agreed a 3 year extension of Veolia's contract to 31 March 2018. A further 1 year extension remains available if required and jointly agreeable.
- 3.9 In order to decide what services should be provided before the current contract term, and whether the Council should seek the final year extension of its Veolia contract, it is now necessary to undertake a review of options.
- 3.10 It is intended to consider the relative merits of future options through a study of options by a Member Review Group supported by Officers, the findings of which would be reported back to this committee for agreement of a preferred option to be ratified by Full Council.

4.0 ARGUMENTS/CONCLUSIONS

- 4.1 Although the Council's waste contract still has nearly 2 years of the current contract extension period to run, it is essential that the options review is commenced now so that sufficient time is allowed for an Official Journal of the European Union (OJEU) competition process if the option of a further commercial contract is chosen.
- 4.2 The Council should compare financial estimates of commercially provided services and services provide through neighbouring councils as well as direct provision of services.
- 4.3 Options should be considered in relation to Corporate Priorities of maintaining weekly waste collections and achieving 60% recycling, as well as assessing the Best Value option for the Council.

5.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

- 5.1 It is anticipated that any replacement service will result in increased cost to the Council, but it would be too early to quantify the amount at this time. The Service Review will produce cost estimates for a variety of service options and delivery mechanisms. These will be included in the report back to this Committee on 23 January 2017.
- 5.2 The review will also consider the merits of extending the Council's current contract to 2019 to mitigate potential increases.
- 5.2 An Equality Impact Assessment (INRA) will be carried out as part of the review of options.

6.0 APPENDICES

- 6.1 Appendix 1 – Waste Services Review Working Party (Terms of Reference)

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
<ul style="list-style-type: none">Grant application to DCLG's Weekly Collection Support Scheme (May 2012).East Cambridgeshire Waste Service TEEP Assessment (December 2015).	Room FF113 The Grange, Ely	Dave White Waste Services Team Leader (01353) 616232 E-mail: dave.white@eastcambs.gov.uk