

**Cabinet**

**12 February 2013**

Report of the Cabinet Member for Environmental Services

## **WASTE SERVICES – SERVICE DELIVERY OPTIONS 2012/2013 & 2013/2014**

### **Background**

1. The Council has a statutory duty to collect waste from households in York. This waste, known as municipal solid waste (MSW), is waste that arises from the normal running of a household. The Council collects household waste and recycling from 85,715 properties across York, carrying out over 7 million ‘transactions’, and deals with 100,920 tonnes of waste each year (2012/13 estimate). In addition, the Council collects waste through its Household Waste Recycling Centres, bring recycling sites, street cleansing, litter bins and from commercial sources.
2. The Council Plan states: ‘The Council is committed to being one of the best performing areas in the country for waste services; we will produce less waste overall. York will continue to promote the value of waste as a natural and viable resource’.

### **Strategic Fit**

3. European legislation, and, more recently, national policy, has placed a greater emphasis on waste management. The resultant effect has significant implications for budgets, policy and stakeholder expectations.
4. The Council has a strategic objective set out in the Council Plan to deliver effective and efficient waste management services to the city, in line with its statutory responsibilities. At present it delivers a comprehensive range of waste management services including waste collection systems, household waste recycling centres, public recycling points and landfill and disposal sites.
5. The Council has been set a number of statutory and policy targets for recycling, composting and landfill diversion of household waste.

## **Revised Waste Framework Directive**

6. The Waste Framework Directive was recently reviewed and adopted by the European Union. The requirements of this revised Waste Framework Directive will be reflected in both current and future legislation. The Council will need to ensure that its own strategy fits within the context of the emerging requirements of this Waste Framework Directive. Work is underway to revise the Council's own waste strategy as well as the strategy for the York and North Yorkshire and Waste Partnership. These will be reported to Cabinet later in the Year.

## **The Hierarchy**

7. The waste hierarchy provides a framework of how sustainability in waste management can be achieved. The aim is to move up the waste hierarchy by moving away from a reliance on landfill to increased recycling and composting, re-use, recovery and ultimately waste reduction. It suggests that reducing waste will normally be the best environmental option for waste management and so therefore should be considered before other treatment options. This principle has been employed and York was an early adopter of the principles of Zero Waste. However, when assessing waste management proposals, the waste hierarchy should be used as a guide rather than being applied rigidly. A certain amount of flexibility is needed to arrive at the most balanced environmental, social and economic solution and, inevitably, is likely to contain a mixed solution.

## **Regional Self-Sufficiency**

8. This principle requires that, where practicable, waste should be treated or disposed of within the region it is produced. Each region is expected to provide sufficient facilities and services to manage the amount of waste it is expected to produce over the next 10 years. Not all regions have specialist recovery, recycling or treatment facilities, therefore the proximity principal and economies of scale may not apply in such cases. It is recognised that the best solution for some waste may be to transport it to another region where it can be dealt with more effectively.

## **Local Drivers**

9. Whilst being committed to the concept and principles of zero waste, the Council will continue to recycle, or recover value, from the waste we do

collect. We have been ahead of our statutory targets on recycling for many years; our next target is to seek 50 per cent recycling by 2020. Our current recycling rate is 47 per cent for household waste, which places us in a good position and provides a strong base for further improvement.

10. Improving our recycling rate will be our focus and, as well as looking to expand on the range of materials we collect, we will maintain a strong focus on increasing current levels of recycling participation across York.

### **Service Delivery**

11. The Council is committed to providing the best possible service to its residents and businesses. We will continue to provide services that are efficient, cost effective and focussed on the customer. We will aim to 'get it right first time', engaging with customers on important issues and ensuring that we are responsive to the needs of all our customers.
12. The Council will continue to provide for the collection and disposal of waste and recycling directly from residents and make provision for the disposal of extra, or bulky, waste through household waste sites, public recycling points or one off, chargeable, collections.

### **Future Disposal**

13. City of York Council and North Yorkshire County Council have awarded a 25 year contract to Amey Cespa for the management of residual waste in York and North Yorkshire. Residual waste will be processed to recover value after local waste prevention, reuse and recycling activities have taken place. This will reduce the amount of waste currently going to landfill by at least 90%.
14. Planning permission has been granted for a facility to the East of Harrogate and work is progressing toward closure of the complex financial arrangements underpinning this scheme. Any changes we propose to make to either the current collection or disposal arrangements will have to be carefully analysed to ensure that they do not cause either operational or financial 'conflict' with the contractual arrangements agreed with Amey Cespa.

### **Environmental Sustainability**

15. The Council has set objectives in the Council Plan to protect the natural and built environment of York and become one of the best performing

waste services. The recommendations outlined in this report, and the commitment to the principles of zero waste, will help the Council achieve those commitments.

16. The Council will work with the public, private, community and voluntary groups to ensure that all waste activity in York contributes to the objectives set out above.
17. Other local authorities that have introduced similar measures as detailed in this report have seen no increase in fly tipping or other environmental crime. The Council is proposing to 'top slice' some of the overall savings to ensure that proper monitoring and enforcement activity, where required, can be carried out properly. The precise nature of this monitoring will be determined through the Smarter York initiative.

### **Financial Sustainability**

18. The Council is facing challenging financial circumstances requiring a fundamental consideration of service delivery. A thorough review of waste services has been undertaken to develop options for future service delivery. By implementing the options outlined and recommended in this report, the Council will be able to continue providing a high quality waste collection and disposal service that is financially sustainable and provides a robust base for future growth.

### **Social Enterprise and the Third Sector**

19. The Council recognises that social enterprise has an important role to play in the delivery of localised service delivery. We have already established a model for this with the work being done by Friends of St Nicholas Fields (FoSNF), who undertake some recycling collections in the city centre.
20. Capacity in the third sector is currently limited and the Council is keen to explore opportunities to build capacity within the community. We also want to engage with those organisations willing to look at local service delivery models, not just those related to waste management. This will take time and will be subject to a future report.

### **Budget Situation**

21. Given the challenging financial situation facing the Council, a review of services has been undertaken to deliver savings and efficiencies. The table below sets out relevant savings and efficiencies which were approved at Budget Council in February 2012:

<b>Ref</b>	<b>Description</b>	<b>2012/13 budget reduction</b>	<b>2013/14 budget reduction</b>
CANS 103	Policy review – options for reducing cost of garden waste	£50k	£200k
CANS 31	Rationalise waste rounds	£150k	£150k
CANS 101	Policy Review - Charging for replacement bins unless it is the Council's responsibility, in line with other Councils.	£50k	£0
CANS 33	Review of policies at HWRCs by considering options for reducing costs	£50K	£75K
CANS 32	Close Beckfield Lane HWRC, changes to contractual arrangements at Towthorpe.	£100k	£30k

22. The following sections, referenced to the table above, outline some of the areas that have been investigated and identify proposals that facilitate continued service provision but with a reduced cost base.

### **Garden Waste Collections (CANS 103)**

23. Budget Council approved a saving and efficiency programme of £250k in the annual waste services budget relating to the collection and disposal of garden waste. This is to be achieved over the 2 financial years, 2012/13 and 2013/14. This reduction represents 2.9 per cent of our total collection and disposal budget of £8,780k (11/12 base budget) but a more significant percentage of the current budget expenditure on garden waste. A summary of current costs is attached as Appendix A to this report.

24. In order to continue providing the current level of service, a number of options have been investigated and researched. Other Councils in England, who have already introduced some of these options, have been consulted to identify key implementation and delivery issues. The options that have been investigated, and considered viable in York, are:

- To introduce a charge for garden waste collections, either all year or just through the winter period (November to March each year)
- To introduce an annual charge for additional garden waste bins or swap garden bin(s) for home composters
- To introduce a food waste collection and combine this with existing garden waste collections
- To test the market to see if a lower garden waste disposal cost can be achieved.
- To assess the market and see if garden waste has any value as a commodity
- To suspend the winter garden waste collections between November and March each year
- To examine the potential for all, or part, of the service to be undertaken by social enterprise or community groups

### **Policy Review - Additional and Replacement Containers (CANS 101)**

25. Budget Council also approved the introduction of charging for the provision of replacement waste and recycling containers. This was based on achieving an expected income to commence in 2012/13. Further detail on this option is attached as Appendix B to this report and the table below summarises the expected financial position in regard to this savings target:

Option No.	Option Description	Appendix Reference
1	Charge for replacement containers as per rates in Para 10 of Appendix B	B
	Two year savings target (£000)	£50
	Savings from options (£000)	£122

### **Household Waste Recycling Centres (CANS 32 and CANS 33)**

26. Budget Council also approved efficiencies and savings relating to the management of the Council's Household Waste Recycling Centres.

There were a number of elements to this, totalling a reduction in budget by £255k, from 2012/13.

The CANS 32 target of £130K related to closing Beckfield Lane HWRC and making further changes to some other contractual arrangements. In 2012/13, the Council has achieved £102K of savings in this area.

CANS 33, and the balance of CANS 32, equals a savings target of £125K. A number of further options have been examined in order to deliver against this target and these are outlined in the table below, with detailed analysis contained in the appropriate Appendix:

Option No.	Option Description	Appendix Reference
1	Amending opening hours at Towthorpe	C
2	Introducing charges for some types of waste, particularly those that are difficult to treat or dispose of	D
5	Introduce identity scheme for York residents and charge non-York residents for use of sites	D
6	Implement some further restrictions through the existing household waste site permit scheme	E
	Two year savings target (£000)	125
	Savings from options (£000) (net of any income that might be received through charges to non-York residents or savings made through amendment of Towthorpe opening hours)	159

## **Consultation**

27. Experience from other local authorities suggests that consultation with residents is essential where a significant change in service is proposed. These include: options for garden waste and amending opening hours at Towthorpe HWRC. A comprehensive consultation exercise will be carried out following approval of this report by Cabinet. This will include telephone interviews of 500 York residents, a targeted on-line survey with part of the "Talk About" panel (500 panel members will be invited) and an on-line survey open to all York residents. Face to face consultation will be carried out at the Towthorpe HWRC with site users. The results from this comprehensive consultation exercise will be reported back to Cabinet in spring 2013 with recommendations for members to consider.
28. The York Customer Centre and the City and Environmental Service Business Support team will be central to implementation of any charging schemes and will be consulted to ascertain the impact and staffing implications on their services.
29. Any introduction of charges for services must be underpinned by effective administrative arrangements which address:
- Dealing with enquiries and complaints regarding the changes to systems and services.
  - Receiving and processing payments (whether by direct debit, card, cheque, Do It On-line facility).
  - Receiving and processing appropriate documentation.
  - Ensuring that the principles of Smarter York are followed at all times throughout internal and external processes.

## **Communications**

30. It will be essential to effectively communicate the details of all service changes with residents, Council frontline staff and other stakeholders. To facilitate this, a detailed communications plan has been completed.
31. The communications plan includes the following:
- Advertise and promote the public consultation (co-ordinated by the Business Intelligence team) to follow on from Cabinet consideration of this report;
  - Dedicated information on the Council's website;
  - Press releases;



- Use of social media (Twitter and Facebook);
- Briefings and FAQs for frontline and operational staff;
- Adverts and articles in commercial press, Your Local Link and Council newsletters (where timings are suitable).

## Council Plan Priorities

32. The options outlined in this report will fully contribute to our corporate priorities by protecting the environment and seeking to be a top performing waste authority.

## Implications

33. This report has the following implications:

## Financial

34. The known financial implications, prior to consultation, are summarised below:

Savings Reference	Description	Two Year Savings Target £'000	Assumed two year savings following recommendations £'000	Notes
CANS 32	Close Beckfield Lane Household Waste Recycling Centre (HWRC) and make changes to contractual arrangements at Towthorpe. Seek housing use for Beckfield Lane site.	130	22	Closure of Beckfield Lane HWRC
			80	Review of contractual arrangements for dealing with Waste Electricals and Electronic equipment

CANS 33	Review of policies at Household Waste Recycling Centres by considering options for reducing costs.	125	Tbc following consultation	Amended opening hours at Towthorpe Consultation on this option is recommended so no assumption is made on savings at this stage.
			92	HWRC Charge for brick and rubble
			16	HWRC Charge for bonded asbestos
			15	HWRC Charge for plasterboard
			6	HWRC Charge for gas cylinders
			30	Amendments to current HWRC Permit Scheme
CANS 101	Policy Review - Charging for replacement bins unless it is the Council's responsibility, in line with other Councils.	50	122	Charge residents for replacement residual waste bins and recycling containers

CANS 103	Policy Review – Consider options for reducing the cost of garden waste to the tax payer.	250	tbc following consultation	Consultation on options is required so no assumption is made on savings at this stage.
CANS 109	Rationalise contract for Bulky Goods/Clinical Items.	25	tbc	Further work is being undertaken on this option to identify delivery models and options.
	Monitoring and enforcement		-15	Funded from savings and determined through Smarter York process
Total		580	368*	*Savings from garden waste and Towthorpe options to be added following confirmation of outcome of consultation.

## Human Resources (HR)

35. There are no HR implications directly associated with the options in this report.

## Equalities

36. Community Impact assessments have been completed to assess the implications of the changes recommended in this report. These assessments will be updated as required to take account of the consultation proposed in this report.

## **Legal**

37. The Council has a duty under section 45 of the Environmental Protection Act 1990 to arrange for the collection of household waste. Generally no charge can be levied for such a collection but the Controlled Waste Regulations of 2012 permit a charge for the collection of garden waste. In addition the Council has a power to specify under section 46 of the 1990 Act the kind and number of receptacles to be used. Where the Council provides those receptacles it can levy a charge.
38. Members are aware of their general duties in connection with decision making and, in particular, the “equalities duty” to have ‘due regard’ to the need to eliminate discrimination and to promote equality when making decisions

## **Information Technology (IT)**

40. Work has been carried out to ensure that IT systems are robust and able to deal with the implications outlined in this report – especially those related to charges.
41. Work is also being done with the York Customer Centre to ensure that processes are established to deal with requests and queries related to the implications in this report.

## **Property**

42. There are no property implications as a result of this report.

## **Crime and Disorder**

43. There are no crime and disorder implications as a result of this report.

## **Risk Management**

44. Risks have been identified, especially to the delivery of services against a reduced budget. Any risk of an increase in fly tipping, or other

environmental crime, will be mitigated through additional resources for monitoring and enforcement.

Given the scale of the service changes, and likely consultation with residents, implementing some of the options will take careful planning and publicising. This will mean that some options are not delivered until part way through 2013/14 creating further budget pressures.

Assumptions on levels of savings or revenue have been made in the report based on evidence from other local authorities. Some of these assumptions may not be fully materialised in York and any under achievement against these assumptions will add further budget pressures.

## **Recommendations**

45. Cabinet is requested to:

- (1) Give approval to undertake consultation on the options for garden waste,
- (2) Give approval to undertake consultation on amending the opening hours at Towthorpe HWRC and
- (3) Receive a further report following these consultations before making a final decision.
- (4) Give approval to introduce the changes set out in Paragraphs 25 and 26 with the exception of the changes to the opening hours of Towthorpe HWRC, which are subject to consultation.

**Reason:** To enable the Council to meet its statutory and policy targets and continue to provide a high quality waste collection and disposal service that is financially sustainable and provides a robust base for future growth.

## Contact Details

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	<b>Report Approved</b>	✓	<b>Date</b> 31 January 2013
<b>Specialist Implications Officer(s)</b> Patrick Looker - Finance Manager  Shaun Donnelly - Waste Management Officer  Steve Perkins - Interim Waste Advisor			
<b>Wards Affected:</b> List wards or tick box to indicate all			<b>All</b> ✓

**For further information please contact the author of the report**

**Background Papers:** None

### Appendices

Appendix A – Garden Waste Collections

Appendix B – Charging for additional and replacement bins

Appendix C – Review of Towthorpe HWRC opening

Appendix D – Review of Policies and Charges at HWR Centres

Appendix E – Review of Permits Scheme