

## Warwickshire Waste Partnership - 2010

### Sub-Regional Working

#### Report of the Head of Environmental Services, Rugby Borough Council as Chair of the Sub-Regional Group

##### Summary

This report gives an update to the work being under taken across the sub region through the Coventry, Solihull and Warwickshire Chief Executives group on waste matters.

##### Recommendation

1. That the report be noted,
2. That further updates be received in the future as outputs and outcomes develop, and,
3. That the Partnership considers commissioning other work streams, where appropriate.

## 1. Introduction

- 1.1 At the Warwickshire Waste Partnership meeting in September 2010, a verbal report was given and papers circulated regarding the sub regional waste project. The aim of this work is to identify and deliver efficiencies, service improvements and cashable savings.
- 1.2 In order to identify these improvements the group has collated some baseline data over all the authorities. This will enable the group, and the Warwickshire Waste Partnership, to identify the areas of greatest impact and monitor improvements over time. The data has only just been collected and still needs further work before it is shared with this committee. Some of the data may be considered to be commercially sensitive and as such will need to be dealt with as a confidential report in due course.

## 2. Work Programme

- 2.1 The work programme for the group will complement the work programme for the Waste Partnership, and indeed may actually be the delivery mechanism for some of the activity in the partnerships business plan, when completed.

- 2.2 The current work streams that are being pursued are as follows, (together with the lead authority for the theme):
1. Collation of baseline data for comparison (project office & RBC)
  2. Recycling of Street Sweeping arisings (WCC)
  3. Route optimisation software (NBBC/NWBC)
  4. Clinical Waste (NBBC)
  5. Fleet Management (CCC)
  6. Agency Staff (Programme Team)
  7. Materials Recycling Facility Procurement (CCC/RBC)
  8. Best Practice on High Density Areas and Flats (RBC)
  9. Charging Policies (SoADC)
  10. Bulky Waste Collections (TBC)
  11. Evaluation of Alternative Refuse and Recycling Collection Systems (TBC)
  12. Bulk Haulage (WCC)

### 3. Update on specific work streams

- 3.1 **Street Sweeping Arising** – Warwickshire County Council have received approval to go out to tender for a facility to recycle / recover materials collected through WCA mechanical sweepers, road sweepings after resurfacing and road gully emptying. The exact details of the tender specification are currently being developed, but it is intended to have a facility operational towards the end of 2011/12. This is likely to be a framework contract arrangement that involves Coventry City and potentially others in the future. The materials collected through this route are relatively low value / high weight materials. The removal of these materials from the waste stream should make some significant financial savings for the disposal authorities and benefits to overall recycling rates for collection authorities.
- 3.2 **Route Optimisation Software** – As part of the focussed support being offered to both Nuneaton & Bedworth, and North Warwickshire Borough Councils, the County Council have funded the acquisition of a web based system to identify potential routing efficiencies, which may allow rationalisation of collection rounds and fuel savings. The base data is being loaded in to the system currently and it is expected that by February there will be some meaningful outputs and learning that can be gained and shared. The system allows a variety of “variables” to be tested, such as the impact of alternative week collections, changes to depot locations and changes to disposal or transfer sites. The latter point will be of significant interest when the County Council are considering the impact of disposal or transfers sites in the post Project Transform arrangements.
- 3.3 **Clinical Waste** – The arrangements for the collection of clinical waste vary significantly across the sub region, not only in the manner, scale and cost but also in the services being provided to residents. It is intended to try to develop a standard service package across the sub region, which can then more easily be discussed and communicated to health service providers. This will avoid the customer confusion of differing arrangements between authorities. The costs are in general relatively minor (in terms of the overall value for collections); although one authority in the county currently pays around ten times the value of an other for a similar level and scale of service.

- 3.2 **Fleet Arrangements** – For collection authorities that have an in house service, the vehicle fleet is one of the greatest areas of cost and risk, the same applies to those that are contracted out but the costs and risk are transferred to the service providers. The regulations regarding fleet management required by VOSA can be exacting and any significant or sustained contraventions can result in the operator's licence being suspended or revoked, which would prevent the service from being delivered. It is likely that through collaboration the risks involved can be substantially mitigated, best practice lessons learnt and potentially costs reduced.

Vehicle procurement is the services largest single items of expenditure with a standard refuse collection vehicle costing in the region of £110,000 to £150,000 depending on specification etc. There may be procurement advantages that can be gained if a number authorities seek to buy in bulk, so the replacement programme is collated to identify potential opportunities.

Fuel is another item of significant expenditure with something in excess of 1.25 Million litres of fuel being used across the sub region within the refuse fleets, excluding contractor use. At around £1 a litre, this is a significant item of expenditure where potentially collaborative procurement may generate substantial financial benefits, particularly if other public services are considered such as police, fire, and ambulance.

All LGV drivers (refuse vehicles) are now required to undertake mandatory training on driver competence. This work stream is investigating how this can be delivered in the most cost effective manner across all authorities. They will also be exploring other consumables such as tyres and hire of replacement vehicles.

- 3.5 **Agency Staff** – There are changes in legislation being introduced in 2011 which will see an increase in costs where agency staff are used to back fill posts through sickness, annual leave etc. The current total spend across the sub region on this exceeds £1 Million. There are some potential opportunities around the use of “casual” staff, zero hour contracts, pooled team(s) or secondments that may enable savings and service benefits to be obtained. However, there are some potential legal and HR matters that need to be fully understood before any certainty can be developed as to how this could be taken forward. It is hoped that these will be identified early in the new year which will allow the practical operational benefits to be explored in detail.
- 3.6 **Materials Recycling Facility Procurement** – Currently within the sub region there are 3 authorities using these facilities with a co-mingled dry recycling collection, with other councils currently considering changes to their collection systems in the coming few years. There is likely to be benefits from having a framework contract arrangement that all authorities could access, as and when required, which if nothing else will avoid the duplication and expense of individual tendering exercises. The issue for this may be around the potential tonnage that could be offered and the current processing capacity that exists in the region. It is essential for this work stream to know if authorities are considering making moves towards co-mingled collections and approximately when this may occur in order to programme in any potential tender process. The earliest any current MRF contract is due for renewal is 2014, but any framework

procurement could be brought forward in order to benefit any potential service change.

- 3.7 **Best Practice on High Density Areas and Flats** – This partnership has previously discussed the difficulties and differences between authorities regarding how the challenges this style of housing can present for recycling services. It is hoped that this can be discussed and authorities will be able to learn from each other to improve participation and capture rates.
- 3.8 **Charging Policies** – A number of associated activities are subject to charges such as replacement bins and bulky waste. Some authorities also charge developers for the provision of an initial set of containers for new homes. There are lessons that can be learnt from each other that may reduce the overall burden to the public purse for these activities.
- 3.9 **Bulky Waste Collections** – With the increase in popularity of e-bay, freecycle and the like, the quantity and quality of materials collected by councils through this type of service has changed dramatically over the recent years. As we heard at the recent Waste Partnership Conference, some local third sector organisations are making healthy proceeds from re-use shops at HWRC sites. It is proposed to explore whether or not some kind of partnership with the third sector could more cost effectively meet the needs of our residents and reduce the amount of materials being sent to landfill.
- 3.10 **Evaluation of Alternative Refuse and Recycling Collections Systems** – As mentioned earlier regarding MRF procurement, a number of Councils in the sub region are considering whether their current collection schemes are delivering the best value for their residents. Whilst WRAP produce some evaluation reports, these tend to be dated and on a national level. The local variations such as access and availability of suitable merchants or processing facilities make a significant difference.

As the Warwickshire partnership we are setting aspirations of achieving 60% recycling by 2015 and have all partners achieving a minimum of 40% recycling at that time. To effectively achieve this we should strive to identify the local cost benefit ratio for any future service change. If we can identify this it may assist some councils in considering how best they deliver services in the long term. It is perhaps too simplistic to assume that a co-mingled alternate week collection is “best”, just because Stratford are the best performing Council in the sub region and Rugby is the most improved in the Country, as were Warwick, using a different system two years ago.

- 3.11 **Bulk Haulage** – This is an area where most councils have some need, which may increase if alternative disposal sites are used in the future. Again it is proposed to explore the development of a framework contract to encompass all current and future needs for this activity.

## 4. Conclusions

- 4.1 Sub regional working as well as partnership working across the county is crucial in improving economies of scale and improving services. It is important these

opportunities be included in any future workings of the partnership. The work streams detailed in this report are the initial ones and as well as regularly reporting progress on these back to this partnership, it is possible that other areas of activity could in the future be commissioned by the partnership.

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## **Background Papers**

Sub Regional Working - Waste

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