

**Y PWYLLGOR CRAFFU –
DIOGELU'R CYHOEDD A'R AMGYLCHEDD
16^{EG} O RAGFYR 2016**

**ADRODDIAD DIWEDDARU YNGHYLCH STRATEGAETH Y GWASANAETH
GWASTRAFF**

Ystyried y materion canlynol a chyflwyno sylwadau arnynt:

Darparu'r wybodaeth ddiweddaraf i'r Aelodau am y camau gweithredu cytunedig a gymeradwywyd gan y Bwrdd Gweithredol ar 27^{ain} Gorffennaf 2015 mewn perthynas â map llwybr y gwasanaeth gwastraff a oedd yn nodi, bryd hynny, gynigion ar gyfer cyrraedd y targedau ailgylchu statudol a'r targedau cysylltiedig ar gyfer dargyfeirio gwastraff.

Y RHESYMAU:

Y Pwyllgor Craffu wedi gofyn am y wybodaeth.

Angen ei gyfeirio at y Bwrdd Gweithredol:-

Nac oes (gan fod yr adroddiad er gwybodaeth yn unig).

Y Gyfarwyddiaeth Yr Amgylchedd Enw Pennaeth y Gwasanaeth: Ainsley Williams Awdur yr Adroddiad: Ainsley Williams	Swydd: Pennaeth Gwasanaethau Amgylcheddol a Gwastraff	01267 224500 AiWilliams@sirgar.gov.uk
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ENVIRONMENTAL AND PUBLIC PROTECTION SCRUTINY COMMITTEE 16TH DECEMBER 2016

WASTE SERVICE STRATEGY UPDATE REPORT

1 Introduction

A report was taken to Executive Board in July 2015 setting out our strategy for the collection, recycling and treatment of waste for the future. The purpose of the report was to set out our route map and planned procurement process to allow us to continue to meet the statutory recycling targets set by Welsh Government taking us up to the 70% recycling target for 2025 and zero waste by 2050.

2. Actions Update

Executive Board gave approval for 9 key elements, against which comments on progress are provided below:

1. Implementation of interim treatment, recycling and disposal contractual arrangements as detailed in this report, ensuring that they are put in place by whichever route deemed most suitable, which in practice will mean negotiation for aspects of the service with the existing providers, as appropriate, up to March 2018.
 - ***This has been completed to secure interim arrangements for the ongoing recycling and treatment of our waste.***
2. The procurement of new refuse collection vehicles (due to the age and poor condition of the existing fleet) to allow the proposed new refuse collection routes to be implemented from Autumn 2016. This will also allow us to offer a full recycling service to our trade customers.
 - ***A fleet of 28 new Recycling Collection Vehicles was delivered between mid-August and the end of September 2016, comprising ten 15t DAF vehicles and eighteen 26t Mercedes vehicles. The trade element has not been implemented yet, but will be reviewed in due course.***
3. Implementation of the route rationalisation programme from Autumn 2016 to allow a more efficient service to be delivered within the bounds of the indicative budget provision.
 - ***The new collection rounds were introduced on the 31st October 2016, affecting about 65,000 households across the County. Changes in the main related to collection days with up to about 7,000 households experiencing a change in method of collection as well as collection days. The new vehicles were phased into operation over a period of three weeks as part of the rollout of new rounds.***

4. Review of the current green/garden waste kerbside collection service to see if it can be run on a break even basis. If this cannot be achieved then the service will have to be terminated from Autumn 2016.
 - ***The kerbside green garden waste collection service, utilising compostable bags (that were collected along with the food waste) was officially terminated at the end of October 2016, to coincide with the roll out of the new collection rounds. A period of grace of 1 month was provided to allow phasing out of the service i.e. up to the end of November. A new green waste fortnightly collection service will be introduced from April onwards utilising wheelie bins.***
5. Introduction of kitchen caddy food bin liners as a trial in specific targeted areas from Autumn 2015 with the aim of assessing their effectiveness in increasing participation in food waste recycling, prior to making a decision on a wider roll-out to all households.
 - ***A trial was undertaken. The headline results only revealed an increase of about 4-5% in participation in the pilot areas. Given this position, further work will be required to understand the outcome. However, this work was placed on hold to concentrate on the roll out as the main priority. A further review and possibly further trials will need to be undertaken to inform our future strategy in this respect.***
6. The undertaking (to an appropriate extent) of a preliminary assessment of our current kerbside collection system, including a waste compositional analysis.
 - ***The commitment to the new fleet determines continuation of the comingled system of collection for the lifetime of the vehicles. However, we may need to investigate the potential for minor changes that we could make to allow closer alignment with the Welsh Government blueprint for collection as part of their collaborative change programme. This work has not been progressed at this time, mainly due to our focus being the roll-out of new routes.***
7. Continuation of the existing co-mingled kerbside collection arrangements and only review the position if necessary, following the completion of detailed options modelling analysis work, possibly as part of WG's collaborative change programme at some point in the future. The detailed options work would be undertaken towards the latter part of the vehicle asset lifecycle i.e. within 5-7 years.
 - ***No work has progressed on this aspect due to the commitment to the existing co-mingled collection system. However, there may be aspects that we could possibly explore, relating to the refinement of the existing comingled system, such as twin streaming as an alternative, subject to internal review and potentially further discussions with Welsh Government.***

8. Commencement of the procurement process for the long term treatment, recycling and disposal of our waste, including undertaking a “soft market testing” exercise so as to inform and assist with the formulation of the long term contract and help us decide on the optimum contract package. A prior indicative notice (PIN) has already been published, notifying potential service providers of our intention to go to market.
 - ***Work has progressed on the procurement of a long term recycling, treatment and disposal service. A prior indicative notice has been published to alert the market of our intentions. Further information is provided in Section 3 of this report.***
9. Amendment to the responsibilities of the Director of Environment so as to provide separation between the substantive role of the Director of Environment and any part that the role involves with respect to the wider corporate governance of CWM as the Local Authority Waste Disposal Company (LAWDC), and in particular any part that would influence its strategic direction. This amendment will be valid for the term of the procurement process and will provide clear separation from the Director’s role in procuring and commissioning the new service contract so that parity for all bidders is maintained.
 - ***This matter has been addressed and appropriate amendments made so that potential conflict in relation to the Director’s substantive role and any responsibilities relating to the governance arrangement of CWM Environmental are eliminated.***

3. Procurement Update

An update of progress specifically in relation to the procurement element to date is set out as follows:

- a. A Project Board group has been set up to provide strategic direction and management of the process. Officers in the group represent wider functions/departments across the Council and include Environment/Waste, Finance, Legal and Procurement.
- b. Progress has been made in preparing tender documents for engaging specialist advisors to provide expert advice on the following aspects of the main project:
 - Technical.
 - Legal.
 - Financial.
- c. A job profile and person specification has been drafted for a dedicated Project Manager who will be employed to manage the whole process on a day to day transactional basis.
- d. The nature and make-up of the proposed recycling and treatment contract has required further detailed consideration relating to complications and matters such as asset ownership, contingent liabilities and potential TUPE transfer relating to the Authority’s unique position of owning our own Local Authority Waste Disposal Company (LAWDC). Such matters are material considerations in terms of determining the most favourable and pragmatic approach to securing recycling and disposal services for the future; they are fundamental considerations in providing an acceptable risk exposure profile and maintaining our ability to remain flexible and adaptable to potential changes in future.

In this respect, we have engaged some independent legal and financial advisors to review how these matters could influence how we arrive at a solution for future provision. This may lead to a review of our current intended procurement route, but it is too early to come to such a conclusion at this stage. This work is currently underway.

DETAILED REPORT ATTACHED?

NO

IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: **A Williams**

Head of Waste and Environmental Services

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	YES	NONE	NONE	NONE	NONE

1. Finance

A reserve budget has been set aside specifically for this procurement project.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: **A Williams**

Head of Waste & Environmental Services

(Please specify the outcomes of consultations undertaken where they arise against the following headings)

1. Local Member(s) - N/A

2. Community / Town Council – N/A

3. Relevant Partners - N/A

4. Staff Side Representatives and other Organisations N/A

Section 100D Local Government Act, 1972 – Access to Information
List of Background Papers used in the preparation of this report:

THERE ARE NONE