

Report to: Cabinet **Date of Meeting:** 5th November 2015

Subject: Future Arrangements for Refuse & Recycling Services Post August 2016

Report of: Head of Locality Services - Provision

Wards Affected: All

Is this a Key Decision? Yes **Is it included in the Forward Plan?** Yes

Exempt/Confidential No

Purpose/Summary

To consider an assessment of proposed future arrangements for refuse and recycling collections, and to consider the changes that would be required to implement a recommended option for all collection services post August 2016.

Recommendation(s)

That Cabinet approves the implementation of Option 2, (Introduce a fully comingled recycling collection service, whilst also continuing to deliver a food collection service, a residual waste collection service and a green “garden waste” collection service), as detailed within paragraph 37 of this report.

How does the decision contribute to the Council’s Corporate Objectives?

	<u>Corporate Objective</u>	<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Jobs and Prosperity	√		
3	Environmental Sustainability	√		
4	Health and Well-Being		√	
5	Children and Young People		√	
6	Creating Safe Communities		√	
7	Creating Inclusive Communities		√	
8	Improving the Quality of Council Services and Strengthening Local Democracy		√	

Reasons for the Recommendation:

In September 2013 a report was presented to Cabinet outlining proposals to operate the Refuse Collection Service, the Green Composting Service, and to introduce plastic and card recycling collections, for the financial years 2014/15 and 2015/16. By utilising existing resources and funding streams, it was envisaged that all of the

proposals contained within that report would be able to be delivered over the coming two years without the requirement for additional revenue support. During this two year period any impact arising from the amendments to the existing Alternating Weekly Collection (wheelie bin) service, and the changes to the garden waste collection service, were to be fully assessed.

In addition, the core period of the current contract for dry recycling is due to end in July 2016. It has been established that the option to extend for a further two years would not be acceptable to the existing Contractor on the current terms and conditions. A number of options have been developed and considered for the future provision of recycling collections. However, it is considered that Option 2 as detailed within this report is the most advantageous both financially and practicably for the Council.

It should also be noted that since January 2015 the Council has had a legal duty to assess whether the separate collection of key materials (paper, metal, plastic and glass) should be provided, especially if consideration is given to a change in collection methods. This is known as a 'TEEP Assessment Process' (Technically, Environmentally, Economically & Practicable) which is monitored, and may be challenged by the Environment Agency (EA) on behalf of the Department of Food & Rural Affairs (DEFRA).

A TEEP Assessment has been undertaken within Sefton to inform this report and it is felt that there is sufficient, suitable and adequate justification within the assessment to justify the changes to collection methods proposed within this report.

What will it cost and how will it be financed?

The annual net costs relating to each of the proposals are contained within the report and range from £0.5m to £1.135m, dependent upon which option is approved. If the recommended option (option 2) is approved, there will be an additional estimated cost of £0.5m in both 2016/17 and 2017/18, i.e. £1m over 2 years. Due to the changes in the recycling commodities market over recent years (namely the large reductions in commodity values) and the legislative requirement to significantly increase the volume of recyclable material collected, it was always envisaged that there would be additional resources required. As a consequence, resources are available from recycling related funds to finance the recommended option for the next 2 financial years, after which the anticipated reduction in the Waste Disposal Levy will offset these increased costs.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Legal – A legal duty applies to the Council that when collecting recyclable materials (paper, metal, plastic & glass) from residential properties from January 2015 in any manner other than separate collections, an assessment needs to have been undertaken to assess whether the proposed collection arrangements are Technically, Environmentally, Economically Practicable (TEEP).

There was also a legislative requirement to commence the collection of plastic and card by January 2014.

There is also a further legislative requirement to meet an increased recycling

target of 50% by 2020. Sefton currently operates at circa 41%.	
Human Resources – TUPE will apply to staff working for the existing external contractor if operations are brought in-house by the Council.	
Equality No Equality Implication	<input checked="" type="checkbox"/>

The Head Regulation and Compliance has been consulted and comments have been incorporated into the report. (LD 3064//2015).

The Chief Finance Officer has been consulted and confirms that there are sufficient funds available to support the implementation of option 2 to cover the additional revenue costs over the next 2 years until a reduction in the Waste Disposal Levy occurs. The interplay between the configuration of the service and the resultant impact on levy payments and recycling credits is complex and can therefore not be forecast with absolute certainty. In the light of any decision made, there will be a need to regularly monitor the financial impact of the service to ensure that it remains within available resources. (FD 3759/2015)

Impact on Service Delivery:

If the recommendation of this report is approved there will be an impact on the current service delivery. All recycling collections will change to a fortnightly frequency, with the majority being via a co-mingled brown wheelie bin collection service. Food waste will be collected separately but will also change to fortnightly frequency, but compostable liners will be provided for residents to use.

What consultations have taken place on the proposals and when?

Since November 2014 consultation has taken place with Merseyside Waste & Recycling Authority (MRWA) in relation to the requirements of the final recycling outlet (Gillmoss Materials Recycling Facility). Consultation has also taken place with relevant Trade Unions both at the external contractor and internally. In addition, consultation has taken place with the five other Liverpool City Region Councils as part of the Merseyside Waste Partnership, in order to assess the planned approaches taken to future recycling arrangements across the region. Consultation has also taken place with the current external provider with a view to establishing whether a two year extension clause within the existing contract, at the current tendered value, could be enacted. However, this option has been declined by the external provider.

Are there any other options available for consideration?

All options considered suitable are contained within this report.

Implementation Date for the Decision

Following publication of the Cabinet decision and the subsequent expiry of the “call-in” period

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Background Papers:

There are no background papers

Introduction/Background

1. In September 2013 a report was presented to Cabinet outlining proposals to operate the Refuse Collection Service and the Green Composting Service, and also to introduce plastic and card recycling collections, for the financial years 2014/15 and 2015/16. By utilising existing resources and funding streams, it was envisaged that all of the proposals contained within that report would be able to be delivered over the coming two years without the requirement for additional revenue support.
2. This has proven to be the case with all services being delivered within the available budget provision. However, there are now a number of factors which will affect collection and disposal arrangements over the coming years and which will need varying degrees of financial support, dependent upon which option is deemed to offer best value to the Council, whilst also meeting the necessary legislative requirements.
3. It was agreed that a further report would be prepared during 2015/16 which would assess the future requirements, and provide options for the future delivery of the whole range of refuse, recycling and compostable waste collection services.
4. Sefton Council has a statutory duty to provide refuse and recycling services under the Environmental Protection Act (Part 2) 1990.
5. In 2011, the Council awarded a five year contract to Palm Recycling UK Ltd. for the provision of a weekly dry recycling collection service, including food waste collections. The core period for this contract is due to end on 31st July 2016. Whilst there is an option to extend the contract for a further two years this would not be acceptable to the Contractor on the current terms.
6. Contained within the original contract specification was a financial option for the external contractor to introduce plastic & cardboard collections in order to comply with the legal requirement to collect plastic and cardboard from January 2014 onwards. The additional cost of introducing this additional collection service had been budgeted for within the MTFP, with an allowance of £1million per year available.
7. During 2012, the Secretary of State for Communities and Local Government (Eric Pickles) initiated a competitive bidding process to maintain or enhance weekly collections of residual or recycled waste collections.
8. Sefton was one of the successful bidding Authorities and obtained a financial contribution to enhance recycling for properties that were receiving weekly residual waste collections (the 'sack collection' service). These are predominately terraced properties in the south of the borough which were deemed unsuitable for the wheelie-bin collection service. An enhanced recycling service (separate plastic and cardboard collections) was introduced to these properties, via an in-house operation rather than via the contract, from spring 2013 onwards.
9. Officers then undertook a feasibility review to determine whether the collection of plastic and cardboard to the remaining 'wheeled bin' properties should be brought in-house for financial, technical, economical and practical reasons from 2014,

rather than by being provided via the contractor as a separately financed option under the existing dry recycling collection contract.

10. Cabinet agreed to introduce the new plastic and cardboard collection service on a phased basis during 2014 using brown 240 litre wheeled bins on a fortnightly basis. The remaining 'sack collection' properties continue to receive a weekly hessian sack collection service for plastic & cardboard as initially funded via the successful bid to the Department of Communities & Local Government.
11. In introducing the plastic & card collections a commitment was also made, alongside all of the other Liverpool City Region Authorities, to the Merseyside Waste & Recycling Authority (MWRA) to use the Materials Recycling Facility (MRF) at Gilmoor Liverpool to process co-collected plastic & cardboard materials. Once the MRF receives such dry recycled materials the decision cannot be reversed by the collection Authority, and forms part of the Waste Partnership Agreement in accordance with a 'Memorandum of Understanding' agreed in 2013.
12. In 2012 a saving of £1million was required from the Green Waste Collection Service. This was to be achieved via the imposition of a charge for the collection of such waste. There was concern that such an imposition could reduce the volume of green waste presented for collection, which in turn could reduce the level of recycling credits received via the disposal of the compostable green waste. There was also a concern that even though residents are not allowed to contaminate alternative waste streams, some people may well seek to dispose of green waste via the existing Grey Wheelie Bin, thereby increasing the volume of waste going to expensive landfill, and subsequently increasing disposal costs to the Council.
13. As such, additional plans were presented which saw the newly required collection of plastic and card being undertaken by the in-house refuse collection service, for an initial two year period, from internal funding sources without the need for any additional revenue budget provision. The £1million which had been provided within the MTFP for the introduction of this service by an external contractor was therefore available to offset the non achievement of the £1million saving required from the green waste collection service.
14. The green waste collection service was retained as a 'free to use' service, with the collection schedule changed to accommodate the new in-house plastic and card collection service via newly acquired Brown Wheelie Bins. The green waste collection service has subsequently moved to a three weekly cycle, but continues to be a 'free to use' service at present, with collection tonnages remaining constant following the change in collection cycle.
15. For the purposes of this report it is expected that the green collection service will continue to operate on a three weekly basis on a Monday schedule. As such, the cost of providing this service is included within the overall cost forecasts provided later in the report.

Principles of Waste Strategy Approach

16. The aim of the proposals within this report is to augment the Waste Strategy previously agreed by Council. Namely, to maximise the use of dry recycling whilst reducing the amount of residual waste sent to landfill via the grey wheeled bin and sack collections.
17. The Council also has to comply with various pieces of EU and National Government legislation, and the overriding requirement to recycle 50% of residual waste by 2020. This is to be achieved whilst also locally working within the Memorandum of Understanding (MOU) agreed by the Liverpool City Region Councils and the Merseyside Waste & Recycling Authority to maximise the use of Material Recycling Facilities (MRF's) and reduce disposal to landfill.
18. Currently the Council has a split operation with an external contractor operating a weekly kerbside dry recycling collection of paper, glass and tin, whilst the Council in-house operation predominantly collects plastic and cardboard fortnightly via a brown wheeled bin.
19. The disposal cost of using the MRF at Gilmoor is currently £37 per tonne, with current disposal via landfill being £113 per tonne. Therefore, there is a distinct cost benefit to the Council of £76 for each tonne diverted from landfill and processed via the MRF.
20. The current third party external contractor does not utilise the Liverpool City Region wide collective MRF facility. The contract was tendered in such a way that the contractor disposes of the commodities collected on the open market. The income received by the contractor for these commodities has served to offset the cost of the service provided to the Council by the contractor. If the contractor had been unable to dispose of the commodities in this manner the cost of the service to the Council over recent years would have been significantly higher. However, as the commodity values for such products have fallen dramatically in recent years, it is also likely that any similar contract now would incur significant additional costs to the Council in future years.
21. The Council has received a recycling credit for each tonne collected by the contractor and this has previously been utilised to offset the cost of the recycling service to the Council. The net cost of this service to the Council, when the value of the recycling credits received is taken from the amount paid to the contractor is some £350,000.
22. It should be noted that the 'recycling credits' are in fact a repayment of some of the monies already paid each year to the MWRA in the form of the Waste Levy. As such, this should not be seen as additional 'income' to the Council. But it is also true that the collection of all recyclable material and its delivery to the MRF, as opposed to it being sent for landfill, does in fact reduce the overall cost of waste disposal to the Council, and as such, a comprehensive recycling collection service is vital.
23. The Council decided to in-source plastic and cardboard collections in 2014 by introducing the brown (plastic & cardboard) wheeled bin and delivering the service in accordance with the 'Memorandum of Understanding' (MOU) utilising the MRF

at Gilmoos to recycle the materials. The in-sourcing of this arrangement part way through 2013/14 produced a saving to the Council of £600,000. In the full year since then, a saving of £1million has been achieved by virtue of the fact that the Council has not had to pay the tendered figure of £1million to the external contractor for the expansion of their recycling collections to include plastic and card. As referenced in paragraph 13, this saving was used to offset non achieved income elsewhere in the service.

24. All local authorities are now obliged to carry out a robust assessment of their collection systems, even if they currently separately collect the four materials. The Regulations are clear that any changes to processes, or any changes that require a change in collection arrangements, will require a fully compliant TEEP assessment. This has been undertaken in Sefton and is to be considered alongside this report.
25. As part of this ongoing process it is also proposed that the Council will also want to ensure that it establishes a process for future reviews of ongoing compliance, which may need to take place at periodic intervals or when relevant circumstances change. For example, when a collection, treatment or recycling contract ends, if vehicles are to be replaced, or if access to a new recycling facility or technology becomes available.
26. A Waste Collection Authority (WCA), can be directed by a Waste Disposal Authority (WDA), regarding where and in what form it must deliver the waste and recycling it collects. As such, it is considered that a WCA (such as Sefton Council) that follows a direction from its WDA (such as the MWRA) to deliver comingled recycling to the MRF would have under the regulations a strong argument that it cannot collect recycling separately.
27. Within the TEEP assessment undertaken for Sefton, this aspect has been considered accordingly, and as such, it is felt that there is strong justification for the Council to introduce a co-mingled collection service should it be minded to do so following consideration of this report and the recommendation contained within.

Current & Future issues affecting waste collections within Sefton.

28. There are a number of options available to the Council to deliver a collection service for dry recycling commodities and food waste. However, any such service delivered by or on behalf of the Council must now also meet the TEEP requirements and must be capable of withstanding any potential challenge under the legislation.
29. Additional pressures are also being placed upon the refuse and recycling service by the number of additional properties/houses built, and the number of existing properties developed into flats or multi-occupancy dwellings since 2010 within Sefton. This has led to an additional 2,200 collections which in turn equates to the requirement for an additional vehicle and crew to simply service this expanding customer base. As such, there is a requirement for an additional £135,000 to resource the additional vehicle and crew necessary to provide the existing refuse and recycling services. However, this figure is included within the option costs proposed later in this report for the in-house service option.

30. It should be noted that this factor would also be taken into consideration by an external contractor should any part of the operation be tendered and the obvious result would be that the cost of the service provided by such an external contractor would reflect the increased volume of properties from which collections are now to be made.
31. If the Council chooses to introduce a co-mingled recycling collection service, evidence from neighbouring Liverpool City Region authorities and from waste collection services as a whole across the country, indicates that there will be a significant reduction in the tonnage disposed of via the grey residual bin. There will also be a significant increase in the volume of recycled materials disposed of via the brown wheeled bin. This reduction in residual waste will mean that less waste is disposed of via landfill. As such, the levy which the Council pays for disposal costs will also reduce significantly. However, the levy figure is set two years in advance and as such it will take two years for the charge to the Council to be reduced accordingly.
32. At this time however, the cost of providing the additional vehicle and crew to support the increased number of dwellings as detailed above will be more than mitigated by 2018 via the reduction in the cost of the levy to dispose of the waste.
33. There is also an EU directive which states that the UK must recycle 50% of its current land-filled waste by 2020 or face significant financial penalty fines. Sefton Council, along with its partners, the MRWA and the other Liverpool City Region authorities, are developing and progressing policies and procedures to mitigate the headline figure of this directive. The use of the Materials Recycling Facility (MRF) at Gilmoor for comingled collections, and the RRC (Resource Recovery Contract), are important levers towards the 50% figure.

Options for Dry Recycling & Food Waste Collections Post August 2016.

34. The current contract with Palm Recycling ends on July 31st 2016. As such, the Council must have in place by this time a method of collecting and disposing of all residual waste via wheelie bins and plastic sacks, all recyclable materials via wheelie bins and hessian sacks, and all garden and compostable green waste via wheelie bins.
35. A number of different strategies were considered to achieve the comprehensive process required as per above. However, there were in effect only three scenarios which could provide the Council with the necessary outcome. These are as follows:

Re-tender the current arrangement

Households would still have to split recyclable materials between different collection methods, namely the green box for tin and glass, the plastic bag for paper, and the brown bin for plastic and card.

Introduce a fully co-mingled collection service

Residents would benefit from only having to use one container for all dry recyclable materials. Evidence suggests that the amount or volume of non-recyclable waste disposed of via the Grey or residual waste stream would also

drop once this method of recycling collections is introduced. As a consequence, the amount of dry recycled material in the brown bin will increase as it becomes easier to use a single brown bin for all dry recycling, rather than having to sort it between a number of different receptacles and containers..

Collect paper separately from other recyclable goods

This was considered as paper could be collected on the same vehicle as the proposed food waste collections. Residents are also used to presenting paper separately from either green box or brown bin collections. However, the Council would have to source a suitable outlet to sell the collected paper to, and as such the Council would be subject to the volatility of the commercial market. There would also be a requirement for 'bulking' the paper to prepare for onward transportation.

Based on the above scenarios, options were then developed and costed for consideration and are presented with comment as follows.

36. Option 1 - Re-tender the current kerbside sort collection operation, including food waste collections, whilst maintaining current in-house collection arrangements via the brown, grey and green bins.

The last tender in 2010 provided a cost from the existing contractor which was some £900k cheaper than the next nearest price. As stated, this was partly based upon the prevailing onward sale value of the commodities collected by the current contractor. As the market for such recyclable material has contracted, and the subsequent value of the sales has dramatically reduced, the existing contractor has stated that they do not wish to extend the current contract at the current rates. Therefore, in order to extend or expand the current recycling arrangements, a new tender process would need to be undertaken.

Based on the costs contained in previous bids received for recycling services, coupled with an allowance for RPI inflation since 2010, it is expected that a realistic tender price would be a minimum of circa £2.2million for simply the same level of service. This is some £1million more than currently expended, and would only provide a like for like service without addressing the need to increase recycling rates and make ongoing provision for green compostable collections. In addition, the continued use of a weekly kerbside collection scheme whilst also operating grey, brown and green wheelie bin collections and weekly sack collections, would result in continuing multiple passes of properties each week by different vehicles, and no reduction whatsoever in the carbon footprint of the Council.

37. Option 2 – Introduce a fully co-mingled recycling collection service, whilst also continuing to deliver a food waste collection service, a residual waste collection service, and a green 'garden waste' collection service.

Via this option, all 'Dry Recycling' (tins, cans, plastic, glass, card and paper) would be disposed of and collected via the existing brown wheeled bin, or hessian sack at terraced properties. Food waste would be collected by a new in-house service utilising a bespoke 7.5 tonne 'sealed tipper' wagon. Six crews would be required to deliver this service in-house. Food Waste collections would still be predominately on the same day as residual or brown bin collections. Food Waste

collections could be reduced to fortnightly collections as compostable food caddy liners would be provided to allow participants to bag food waste inside the caddy between collections, thereby reducing both the smell from disposed food and the 'mess' created by un-bagged material.

It should be noted that if food waste collections were ceased there would be an additional 2,800 tonnes of waste disposed of via the grey bin/sack collection residual waste stream. At current landfill disposal rates this would increase the cost of the overall service to the Council by some £320,000 in additional landfill costs. In addition, it is expected that legislation will soon be enacted requiring that food waste is kept out of any waste stream going to landfill. As such, there would then be a requirement to re-commence food waste collections, which would likely prove more difficult if it had previously been ceased. The staff required for this service would be recruited from the existing external contractor under TUPE arrangements.

This option would see all services being developed and delivered by an in-house service. It is felt that this would also offer greater flexibility in meeting the demands which will be placed upon all collection services over the coming years.

38. Option 3 – Food Waste & Paper collected in a standalone operation, whilst operating a recycling collection service, a residual waste collection service, and a green 'garden waste' collection service.

This option would deliver a co-mingled recycling collection via the existing brown wheelie bin and hessian sacks, but with paper and food waste collected separately. The benefits of this method are that it would allow the collected paper to be outside the commitment which the Council has to recycle all materials via the MRF in Gilmoor. As such, there is a recycling credit currently available for every tonne that is diverted from landfill. However, it should be noted that this 'credit' is in fact a return to the Council of some monies which the Council has already paid to the MWRA by way of the annual levy payment.

In addition to the Recycling Credit, the Council would also receive an income for the onward sale of the raw material, i.e. the paper. This service would be delivered on a fortnightly basis, and as per Option 2, would mirror grey or brown collections to maximise participation. The food waste and paper would be collected via a refuse wagon with a food pod on the front of the wagon.

However, this 'income' would be partly negated by the requirement to source a suitable outlet to sell the collected paper to, and also the requirement for 'bulking' the paper to prepare for onward transportation.

39. Financial summary of each Option

Option	Service Summary	Cost Summary	Financial Impact
Option 1	Re-tender the current kerbside sort collection operation, including food	Additional single refuse collection vehicle required, as per paragraph 29, to	A minimum additional sum of £1,135,000 per annum would be required for this option.

	waste collections, whilst maintaining current in-house collection arrangements via the brown, grey and green bins.	<p>service the new homes and flats in the Borough since 2010 at a cost of £135,000</p> <p>The last available quote in 2010 was circa £900,000 above current price paid. Therefore, the anticipated cost per annum is £2.2 million minus the receipt of a Recycling Credit at the existing rate of £900,000.</p>	
Option 2	Introduce a fully comingled recycling collection service, whilst also continuing to deliver a food collection service, a residual waste collection service, and a green 'garden waste' collection service.	<p>Additional 3 refuse wagons and staff required. This is offset by £350,000 recovered from the termination of the existing third party contract.</p> <p>In-house food waste operation will require growth of circa £500,000 which includes an additional 6 'food waste' vehicles and staff.</p> <p>However, reduced landfill costs resulting from the increase in dry recycled materials from co-mingled collection will reduce the levy payment for Sefton Council in 2018/19 and as such, the food waste collection service will at that point be cost neutral.</p>	<p>The expansion of the recycling collection service to provide a fully comingled service will not require any additional funding other than the utilisation of the £350k difference between the contract fee currently paid, and the recycling credit currently received.</p> <p>The Food Waste operation will require additional funding of £500,000 per annum.</p> <p>However, in 2018/19 the levy will reduce to reflect the reduction in landfill charges. Therefore, from this point onwards there will be a net saving to the Council of £500,000 per annum.</p>
Option 3	Food Waste & Paper collected in a standalone operation, whilst operating a recycling collection service, a residual waste collection service, and a green 'garden waste' collection service.	<p>Additional 3 refuse wagons and staff required. This is offset by £350,000 recovered from the termination of the existing third party contract.</p> <p>As per Option 2, in-house food waste operation will require growth. However, the vehicles required for the collection of food AND paper are fundamentally different in design and we would require 9 vehicles. As such, £1,300,000 per annum would be required.</p> <p>This would be partly offset via income from the sale of the paper (based on current rate of £25.00 per tonne for 6,000 tonnes) is £150,000. Also, recycling credit received would be £350,000.</p>	<p>The net cost of introducing food AND paper collections, whilst also introducing comingled recycling collections is £800,000.</p> <p>There would also be a cost for selling the paper product collected, plus additional costs for land/depot facilities for 'bulking' purposes.</p>

Operational Summary of each Option

40. Option 1 - A re-tendering exercise based on the current kerbside collection arrangements is considered to be a high financial risk to the Council, given the current volatile market conditions for dry recycled materials which are currently down some 30% in value based on the 2010 commodity prices. It is envisaged that a kerbside sort contract is likely to cost some £2.2 million per annum, which is approximately 50% above current financial commitments. This option meets TEEP regulations, but comes at a heavy financial cost to the Council without any of the known benefits that a co-mingled collection service provides.
41. Option 2 - The co-mingled collection of all recyclable waste on a single pass is seen as the most operationally advantageous process. Agreement would be required to increase the budget available for the Council's waste and recycling services. However, if food waste collections were to cease there would be an immediate increase of some 2,800 tonnes of food waste disposed of via the residual waste stream, costing an additional £320,000 in waste levy payments by the Council to the MWRA. Following the TEEP assessment which has been undertaken, as required by Government, it is felt that this comprehensive and co-mingled collection process can be justified accordingly.
42. Option 3 – The continued collection of food waste but with paper collected as a separate commodity via the same vehicle is considered to carry inherent risk to the Council. The price received for the ongoing sale of the paper will always be subject to the ongoing volatility of the recycling commodity markets. This option will also require a bespoke fleet of vehicles with separate pods for each commodity, and additional depot facilities for the 'bulking' of the collected commodities for onward transportation.

Current and Recommended Collection Arrangements in Tabular Form

The table below shows the current arrangements in place across all waste streams.

Material	Frequency	Collection Method	By Whom
Residual Waste (111,000 properties)	Fortnightly	240 litre Grey Wheelie Bin	Sefton Council – Cleansing Services
Residual Waste (14,000 properties)	Weekly	Plastic Sack	Sefton Council – Cleansing Services
Plastic & Card (111,000 properties)	Fortnightly	240 litre Brown Wheelie Bin	Sefton Council – Cleansing Services
Plastic & Card (14,000 properties)	Weekly	Hessian Sack	Sefton Council – Cleansing Services
Green Garden Waste	Three Weekly	240 litre Green Wheelie Bin	Sefton Council – Cleansing Services
Food Waste (125,000 properties)	Weekly	Plastic Caddy	Palm Recycling Ltd

Tin & Glass (125,000 properties)	Weekly	Green Plastic Box	Palm Recycling Ltd
Paper (125,000 properties)	Weekly	Blue Plastic Sack	Palm Recycling Ltd

The table below shows the proposed arrangements which would be in place across all waste streams should Option 2 be adopted.

Material	Frequency	Collection Method	By Whom
Residual Waste (111,000 properties)	Fortnightly	240 litre Grey Wheelie Bin	Sefton Council – Cleansing Services
Residual Waste (14,000 properties)	Weekly	Plastic Sack	Sefton Council – Cleansing Services
Plastic, Card, Tin Glass & Paper (111,000 properties)	Fortnightly	240 litre Brown Wheelie Bin	Sefton Council – Cleansing Services
Plastic, Card, Tin Glass & Paper (14,000 properties)	Weekly	Hessian Sack	Sefton Council – Cleansing Services
Green Garden Waste	Three Weekly	240 litre Green Wheelie Bin	Sefton Council – Cleansing Services
Food Waste (125,000 properties)	Fortnightly	Plastic Caddy (with compostable liners)	Sefton Council – Cleansing Services

Summary

43. Based upon all of the information contained within this report and the TEEP Assessment, it is felt that the option to introduce a fully co-mingled recycling collection service, whilst also continuing to deliver a food collection service, a residual waste collection service, and a green 'garden waste' collection service provides the best outcome for the Council against the following nationally assessed criteria:
44. 'Technological': This option delivers comingled recyclable materials directly to the Materials Recycling Facility (MRF) in Gillmoss where they are separated for onward transportation into the recycling materials market. The Council already pay for this facility via the annual Waste Levy. The Council is also not exposed to the volatility of the recyclable materials market, which therefore provides an element of financial security when planning future service costs.
45. 'Economical': This option provides the cheapest arrangement currently available for the Council. The in-house service currently operates within the top quartile in the whole country in relation to the cost of the services per household. The option to continue to deliver a food waste collection service will also protect the Council from additional charges via the levy for uncollected food waste which would enter the residual waste stream if this service were not provided.

46. 'Environmental': The provision of a comingled recycling collection service will dramatically reduce the amount of vehicle journey's undertaken in providing the range of collection and disposal services required. As such, there will also be a reduction in the carbon footprint of the Council to reflect the proposed new collection arrangements.
47. 'Practical': The delivery of all services by a single provider, which in this case is the in-house fleet, will provide what is by far the most practical solution. There will be economies of scale generated coupled with a greater degree of flexibility across all services. There will be a single point of contact for all residents and businesses irrespective of the type of collection service being delivered.
48. By introducing a fully comingled recycling collection service, there is also the opportunity to relaunch the whole recycling and waste collection and disposal agenda to the residents of Sefton. A comprehensive marketing and information campaign would be developed and delivered to educate, direct and motivate residents on all aspects of recycling, green waste disposal and composting, and issues relating to residual waste.
49. As such, the Council will be provided with the best opportunity to meet all of the forthcoming targets associated with the requirements to increase recycling and decrease the amount of waste sent to landfill.

Overview & Scrutiny

50. This report was presented to Overview and Scrutiny Committee (Regeneration and Skills) on September 15th 2015. Approval was received for the recommended option as per below.

The Committee considered the report of the Head of Locality Services – Provision in relation to an assessment of proposed future arrangements for refuse and recycling collections, and to consider the changes that would be required to implement a recommended option for all collection services post August 2016.

The Committee considered service summary, cost summary and the financial impact of the various options in relation to the future arrangements for Refuse and Recycling Services as detailed in the report. Members of the Committee congratulated Officers on the report and agreed that option 2 was the best option in terms of service summary, cost summary and financial impact.

RESOLVED: That:

The Overview and Scrutiny Committee (Regeneration and Skills) recommends the implementation of Option 2, (Introduce a fully comingled recycling collection service, whilst also continuing to deliver a food collection service, a residual waste collection service and a green "garden waste" collection service), as detailed in paragraph 37 to the report, to the Cabinet for approval;