

Internal Scrutiny Committee

Meeting to be held on Friday, 18 May 2018

Electoral Division affected: (All Divisions);
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Household Waste Recycling Centres

(Appendix 'A' refers)

Contact for further information:

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Executive Summary

The Household Waste Recycling Centre (HWRC) service was brought in-house on 1st April 2018 after many years of being delivered by a third party under contract. In the last few years performance of the service has fallen and staff morale has been extremely low.

Addressing these issues will be a priority for the waste team. However, the move to in-house provision also gives the opportunity to conduct a fundamental review of all aspects of the recycling centre service which has generally been in its current format for more than two decades.

There is also the opportunity to focus operations on achieving greater reuse of the waste items received and increase the social value realised from the resources delivered to the recycling centres. This will require greater interaction with customers and staff actively sorting through waste. These changes will be supported with increased communications about the environmental importance of reuse and promotion of the social benefits achieved by the council from waste delivered to its facilities.

Recommendation

The Internal Scrutiny Committee is asked to note the content of the report and to provide comment and feedback.

Background and Advice

The Environmental Protection Act 1990 puts a statutory requirement on waste disposal authorities to provide places 'at which persons resident in its area may deposit their household waste'. Lancashire County Council provides 15 recycling centres details of which are provided in Appendix 'A'.

For many years the delivery of the recycling centre service was outsourced. Partly for reasons of procurement cost risk, but also to add greater flexibility to how the service is delivered, the Cabinet Member for Environment, Planning and Cultural Services took the decision in March 2017 to recommission the provision of the service on the basis of a predominantly 'in-house' delivery model with effect from 1 April 2018.

As such, with the exception of transport services which have been outsourced separately, delivery of the service now sits with the council and 139 staff transferred from the previous provider, Suez Recycling and Recovery Ltd ("Suez") under TUPE regulations. The removal of restrictions imposed by an overarching contract now gives the opportunity to reconsider all aspects of the service; which has been in its current form for over 20 years.

Performance of the service, particularly with respect to recycling rates, has always previously been relatively stable but the last few years has shown a decline, as identified in Appendix 'A'. There are a number of contributing factors to this including low staff morale, difficulties with transport management and the fact that the contract was known to be coming to an end for some time.

Another factor that may have affected HWRC performance is the level of investment in training, staff development and physical site infrastructure. It is often symptomatic of relatively short term contracts where there is potential that the service may transfer to another provider, or indeed back to the council, at the end of the contract term that investment in staff and infrastructure is not provided at a sufficient level throughout the contract to maintain performance levels.

As part of the transfer the council has made investment in new equipment and site infrastructure, a review of welfare facilities on the recycling centres has been conducted and staff now have access to the council's training portfolio as well as all of its support services. It is considered that better support for, and investment in, the workforce will be the foundation for improving HWRC service performance.

Alongside this, it is important to also review wider aspects of the operation of the facilities to consider ways to improve operational performance and financial efficiency. In 2017/18, 41,522 tonnes of recycling centre waste was landfilled at an approximate cost to the council of £4.7m. Reducing the cost of this landfill bill is to be a key focus in delivery of the service going forward.

HWRC service review

Aside from minor changes in between contracts, and the introduction of the inert waste policy in 2015, the recycling centre service has been in its current form for many years. The contracting model makes it difficult to introduce new ways of working as these can provide uncertainty during tendering and inflate costs. Making changes during the contract term has to be done by negotiation, with the council often not receiving the full benefit of any financial savings.

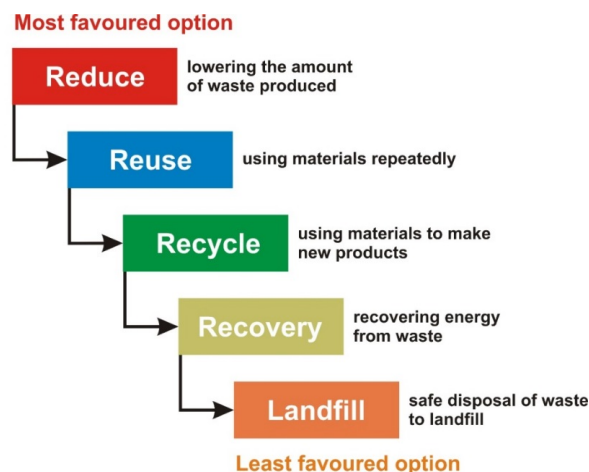
The transfer of the service provides the opportunity to completely review service provision. It is intended that a full service review is conducted including, but not being limited to, the following:

- site opening hours
- usage against days open
- staffing numbers
- waste types accepted at each facility
- acceptance of 'cross border' waste
- options for charging for non-household wastes
- assessment of barriers to increasing recycling
- infrastructure review
- site modernisation and improvement options

Whilst it is necessary to contemplate savings and efficiencies as part of this review an important consideration must be that any proposed changes take into account the general requirement to reduce landfill disposal and increase recycling and reuse.

Waste reuse

Application of the "Waste Hierarchy" by local authorities is a requirement of the Waste (England and Wales) Regulations 2011. It ranks waste management options according to what is best for the environment; giving top priority to preventing waste then, when waste is created, giving priority to preparing it for re-use, then recycling, then recovery; and last of all disposal.



The contract with Suez required reuse of waste items but was not specific as to how this must be achieved. There was also no requirement to achieve social value as this would have been very difficult to specify within the contract. Suez's model for reuse was simply to sell certain items on to 'bric a brac contractors' who would in turn trade items at car boot sales and the like. However, Suez employed only one bric a brac contractor per centre and each contractor was prescriptive about the items it wanted; often prioritising high value items with easy re-sale potential. As a result some good quality reusable waste items have ended up in landfill.

In January 2017 the council bought out the bric a brac contract at the Preston HWRC and opened a reuse shop stocked by waste diverted from the recycling centre. In its first year the shop diverted over 30 tonnes of waste from landfill and generated an income of over £60,000. Whilst it is a requirement that the shop covers its own costs the general principle of operation has not been about income but making waste items available to those who want them and can make use of them, at extremely low and affordable prices.

In addition, having access to the waste has given the waste service the opportunity to look at other ways to support organisations, communities and residents and several initiatives have been developed to reuse waste items including:

- Supply of toiletries to a women's refuge
- Supply of equipment to local gardening groups
- Provision of disability aids to a charity for distribution in Africa
- Collection of wood for use in teaching carpentry skills at Wymott Prison
- Provision of bicycles to community groups and Active Lancashire
- Work with the Children and Family Wellbeing Service to provide items for vulnerable families
- Creation of volunteer opportunities in the shop, for PAT testing electrical items and repairing/testing bicycles

These initiatives have been delivered using just the waste from Preston recycling centre. Countywide, with the council in direct control of the waste delivered to the facilities, there is the opportunity to hugely improve the social value realised from the waste received.

It is intended therefore that the council adjusts the focus of its recycling centres to ensure greater reuse of the waste delivered and seek to generate social value. This will mean changes in the way the facilities currently operate, including more direct engagement with members of the public and staff actively sorting through items delivered.

This may be considered inconvenient or intrusive by some customers and as such it is also intended that a detailed communications and education campaign about reuse be developed, including promotion of the social value that the council is achieving from its reuse activities through media, social media, on the website and at the recycling centres themselves.

Whilst this initiative will help to divert some waste from landfill it should be noted that waste reuse won't reduce landfill in huge quantities. A large proportion of the waste landfilled is that which is very difficult to reuse, such as mattresses and carpets, or is simply damaged or broken. Reuse activities are also quite resource intensive from a staffing perspective (although it is intended that the initiative be delivered within existing resources) and it is difficult to put a monetary value on the social impact that is achieved. So the overall benefits can be difficult to measure or accurately report.

However, there clearly exists an opportunity to operate our recycling centres in a manner which is better for the environment, supports communities, other

organisations and Lancashire residents; and importantly makes much better use of the resources delivered to recycling centres which are currently treated as waste.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Financial

It is intended that the review of the HWRC service and also the proposed changes to operations to prioritise waste reuse be delivered using existing resources and within the current service budget.

Risk management

There is potential that some customers may not be happy with the change to operations or having their waste sorted and reused. This will be mitigated by increased communications outlining the environmental benefits of reuse and promoting the social value that is achieved.

Local Government (Access to Information) Act 1985 List of Background Papers

Paper	Date	Contact/Tel
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N/A