

Cabinet	CAB/005/11
Date: 8 th February 2011	Part I report

APPROVAL TO IMPLEMENT CHANGES TO THE SCOPE AND OPERATION OF THE RECYCLING CENTRE FOR HOUSEHOLD WASTE (RCHW) SERVICE

Report by Councillor Tracey Chapman, Cabinet Member for Environment & Waste
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1. Purpose of report

To bring before Cabinet a report on the future delivery options for the Recycling Centre for Household Waste (RCHW) service.

2. Recommendations

To recommend that Cabinet, in response to changes in public usage and need;

- note the work to date and scope of study into the options for the future delivery of the RCHW service
- agree to the proposed consolidation of the RCHW service (as outlined in this report)
- amend the Waste and Recycling service aim in relation to the provision of RCHW sites within a 10km radius

in order to minimise service and funding duplication.

3. Decision Areas

To approve the recommendations in this paper.

4. Background, context, and area of the County affected

As a Waste Disposal Authority (WDA), Essex County Council has a statutory duty under the Environmental Protection Act 1990 to

- i) provide places at which persons resident in its area may deposit their household waste
- ii) ensure such places are reasonably accessible
- iii) ensure such places are available at all reasonable times (this must include at least a period of time on a Saturday or Sunday)
- iv) ensure each place is available for the deposit of waste free of charge

Although there is no specific definition of what constitutes a reasonably accessible site, Essex County Council has a stated aim within the Joint Municipal Waste Management Strategy (JMWMS) to provide resident access to a RCHW within a 10km radius. With the exception of an area centred on Great Dunmow and small rural areas within others parts of the County this aim has been achieved. However it has been questioned whether distance is the correct measurement for an accessible site, and whether journey times (affected by distance, the road network and traffic) would be more appropriate and meaningful.

Essex County Council exceeds its statutory WDA duty through the provision of a network of 23 RCHW sites located throughout the County. The current cost of operating the RCHW service (excluding waste disposal/treatment and haulage costs) is approximately £5.9m p.a.

With the exception of one site the RCHW sites are open to the public 7 days a week. They operate an average 65hrs a week in the summer months and 56hrs in the winter months.

The location*¹ of the RCHW sites within Essex have developed over a number of years as a result of historical land use factors and direct intervention by the Council to fill geographical service gaps to meet the 10km radius aim. This approach has led to

- i) sites being unevenly distributed across the County
- ii) the size and/or footprint of sites being inconsistent with current and emerging operational demands, impacting on performance, service levels and operational efficiency
- iii) sites being located within relatively close proximity of each other resulting in sub-optimum use by the public

Historically the RCHW facilities have been the only option for Essex householders wishing to recycle certain household waste types. In recent years however the District and Borough Councils, in their capacity as Waste Collection Authorities (WCA), have significantly extended their recycling services. The speed of change in recycling services has accelerated following

¹ See map attached.

the adoption of the Inter-Authority Agreements which include an agreement by the County Council to provide financial support to partner WCAs in their expansion of collection services.

The expansion of WCA recycling has led to increased service duplication with the RCHW service. Kerbside collections are more convenient for residents and as a result there has been a net reduction in usage of the RCHW services.

The RCHW service is a countywide service. Any changes implemented to the operation of the service will have an impact throughout the County.

Options/Proposals

In reviewing the future delivery options for the RCHW service the following factors have been considered:

- i) the operating cost of individual sites on a per visitor and per tonne handled basis
- ii) performance of sites in diverting waste from landfill
- iii) overall usage of sites and usage variances across the day and week
- iv) proximity and journey time to other RCHWs
- v) site capacity utilisation
- vi) potential for further development at the site to cater for additional tonnage
- vii) requirements for future site investment and income from possible asset disposal
- viii) likely future demands on RCHW sites
- ix) impact on service users
- x) impact on WCA services

As a result of evaluation undertaken to date, it is proposed that the following service changes are introduced to improve efficiency, whilst maintaining required service levels.

- i) **Reduction in opening hours:** It is proposed that the current winter opening hours are adopted throughout the year. This will mean all sites close at 4:00pm. (Currently between March and mid October sites are open until 5:00pm each day and 7:00pm on Tuesdays between May and September)
- ii) **Variable Opening Days:** Service utilisation varies significantly through the week with many of the RCHW sites having low visitor throughput during mid-week. It is therefore proposed that a variation in opening days is introduced to reflect site usage. Less frequently used sites will open between four and six days a week to reflect the fall in resident use. **Every site will open at least one day at weekends.** Further analysis will be required before a site specific proposal can be made. Future analysis would be based on current usage and the proximity, availability and capacity of neighbouring sites to accommodate additional throughput on days the site is shut.
- iii) **Site closure:** There are a number of sites which due to their size, location, proximity to other sites and the expansion of kerbside collections, currently

operate at a sub-optimum level both financially and operationally. Current data indicates that there is a case for closure of between 2 and 6 sites within the County, whilst maintaining a good level of customer service and meeting the County Council's statutory function as a WDA. Further analysis is required before specific sites are proposed. The implementation of closures would be undertaken in a phased manner with a review following each phase, to ensure the impacts of closures are properly understood before any subsequent changes are made.

Conclusions

Use of the RCHW service by Essex residents has declined over recent years as a result of increased use of kerbside collection services and an overall reduction in household waste. The continued investment in kerbside collection services by the County Council and WCAs is likely to result in this trend continuing into the future.

Whilst service usage has declined, the capacity of the RCHW service has increased. Although the number of RCHW sites in Essex has been broadly static in the last decade (increasing in 2004 from 22 to the current 23 sites); the waste handling and site visitor capacity of the service has increased significantly as a result of the development of replacement sites or upgrading of existing facilities. This has led to an over-scaled service which operates in an inefficient way.

The combination of the operational changes identified will reverse the current situation regarding service inefficiency by reducing the overall capacity of the service so that it is more closely aligned to the current and projected future usage. Although the closure of sites and reduced opening days will impact on those using sites affected, the adverse impact will be minimised by ensuring other sites within the local area are available for use.

5. Relevance to ECC's corporate plan and other Strategic Plans

Delivering value for money is a key EssexWorks priority. The delivery of the changes proposed will result in a more focused and streamlined service which is still able to meet the needs of users. These changes will reduce the overall service revenue costs but will ensure the service is still able to handle the same customer and waste volume throughput, thus increasing overall efficiency and value for money.

The delivery of high levels of recycling is an aim of the Joint Municipal Waste Management Strategy (JMWMS) and is also an EssexWorks priority. The proposed changes will reduce service overlap. It is suggested that residents will simply adopt differing use of the RCHW service (i.e. different site, time or day) as already indicated by changing patterns of use of RCHWs since the expansion of kerbside collection.

It is therefore felt that the proposed changes to the RCHW service will have no significant impact on the ability to meet and maintain the recycling target levels.

6. Internal and External Consultation

The Cabinet Member for Environment and Waste has been involved in the development of service options over the last six months.

Extensive discussions have taken place with the RCHW service contractors to ensure changes proposed meet the required objectives of increasing value for money whilst maintaining required service levels.

As the detailed impact on individual sites is not yet known, there has been no consultation with Policy Development Groups or local Members. This will take place when site specific proposals are available.

Once decisions have been formulated with regard to changes effecting specific sites the IAA consultation process will commence to identify any broader impacts on the Essex Waste Partnership.

It should be noted that the changes proposed may have implications on major infrastructure projects (including PFI, bio waste and transfer stations) due to changes in tonnage volumes and waste sources. The impact of RCHW service changes on waste arisings will be closely monitored and the findings will be used to inform infrastructure activity.

7. Legal Implications (Monitoring Officer)

Essex County Council is a Waste Disposal Authority (WDA) as defined by the Environmental Protection Act 1990 and has a number of statutory duties relating to the provision of sites for residents to dispose of household waste; these are:

- Provide places at which persons resident in its area may deposit their household waste;
- To ensure such places are reasonably accessible;
- To ensure such places are available at all reasonable times (this must include at least a period of time on a Saturday or Sunday); and
- To ensure each place is available for the deposit of waste free of charge.

The changes proposed to the RCHW service will leave a service of sufficient scale and operational scope to comply with the Council's statutory requirements as a WDA.

The IAA with the WCAs are legally binding documents which sets out the services provided by the Council with a commitment to maintain those service

levels. Although changes are permitted these need to go through a review process to ascertain whether they have any prejudicial impact on the Essex Waste Partnership or individual members of the Partnership. If impacts are identified there will need to be a process of identifying mitigation measures or compensation. The changes proposed will, once finalised, need to go through the IAA service review process.

8. Finance and Resources Implications (Section 151 Officer)

The driver in implementing the proposed changes is to deliver greater service efficiency and increase value for money, in light of investment made by the County Council in WCA kerbside collection schemes which have led to reduced use of the RCHW service. The changes proposed will therefore result in a reduced revenue service cost for the operation of the sites. Quantifying the financial impact of the service changes will obviously be dependent on the exact mix of service changes identified as operationally desirable and deliverable. Detailed discussions have taken place with the service contractor to identify service unit costs on a per site basis and these have been used to identify the indicative savings detailed below. These will however be subject to change once negotiations have been concluded with contractors and the members of the Essex Waste Partnership, and the exact service changes have been identified

RCHW Operational Change - potential full year cost saving p.a

Reduce opening hours (winter opening all year)	£185k
Reduce opening days	£195k
Two site closures	£320k
Four site closures	£690k
Six site closures	£1m
Total estimated saving (dependent on number of sites closed)	£700k - £1.38m

The full year costs detailed above do not take account of any potential redundancy costs which would impact on any efficiency in year one. There has also been no consideration of decommissioning costs or asset disposal income. In both cases it is likely that reduced savings will be made in year one, full year savings identified will be recoverable from year two.

It is proposed that changes are implemented to ensure the service is operating at optimum service efficiency by mid 2012 when the RCHW procurement programme will begin for new service contracts to start in 2013. By ensuring the service is operationally sound the Council will be best placed to achieve the most financially advantageous arrangement for the long term management and operation of the service.

9. Human Resources implications

The changes proposed will primarily impact on the 89 RCHW site operatives who work on the sites assisting members of the public and ensuring the safe operation of the sites. The operatives working on the RCHW sites are all

employed by the site contractor; there will therefore be no direct human resource implication on the Council.

The impact on the site operatives of the changes proposed will include the need to reduce working hours as well as the overall head count. The reduction in operative numbers is unknown, as this will be a matter for the contractor once a final decision has been taken over the scale and scope of service changes. Due to the number of staff affected by the changes the contractor will be required to undertake a consultation and negotiation phase with staff and any Union representatives. This phase will take a minimum of 3 months to conclude.

10. Equality Impact Assessment

An equality impact assessment has recently been undertaken for the RCHW service. The changes proposed in this report do not alter the service to an extent that requires a further assessment to be undertaken.

11. Background papers

- Environmental Protection Act 1990 Section 51
- Site use survey summary
- Site tonnage summary