



Executive
15 November 2010

**Report from the Director of
Environment and Neighbourhood
Services**

Wards affected: All

Waste Collection Strategy

Appendix C is “Not for Publication”

1.0 Summary

1.1 Central to the policy programme of the new administration is an increased focus on sustainability and environmental improvement. That programme includes a number of specific goals relating to waste including reducing the council's reliance on landfill and increasing the recycling rate to 60%.

1.2 At its meeting in August the council's Executive approved public consultation on a revision of the council's Waste Strategy which had been undertaken as part of the council's Improvement & Efficiency Programme. This report presents the outcome of that consultation and seeks Executive approval to implement the Strategy. This:

- ◆ Will offer radical improvements in the waste collection and recycling services provided to all Brent residents
- ◆ Will deliver a step change in the recycling rate towards the goal of 60%
- ◆ Will deliver long term efficiency savings in excess of £1 million each year

1.3 The report also presents a draft implementation plan that sets out how the proposed changes will be introduced.

1.4 This report also describes the programme of procurement that is required.

2.0 Recommendations

2.1 That the Executive note the response from the public consultation on the revised Waste Strategy as described in this report and at Appendix A.

2.2 That the Executive approve the formal adoption and implementation of the revised Waste Strategy as described in this report and at Appendix B.

- 2.3 That the Executive note the proposed draft implementation plan for the revised Waste Strategy as described in paragraph 7.0 of this report.
- 2.4 That the Executive note the programme of procurement required to implement the revised Waste Strategy as described in paragraphs 8.0 of this report.
- 2.5 That the Executive agree variation to the existing Waste Services contract with Veolia as set out in Appendix C of this report.

3.0 Detail

- 3.1 A central theme of the policy programme of the new administration is around sustainability and environmental improvement. A key commitment is to the development of a Green Charter and within that to seek to improve recycling rates to 60%.
- 3.2 As part of the Council's Improvement & Efficiency Programme, a review was undertaken of the Council's waste strategy (the "Review"). The Review aimed to promote reuse and recycling, improve resident satisfaction, reduce the carbon footprint of the waste collection service, help reduce the amount of waste in landfill and meet national performance indicators. It was agreed that the best method for delivering this Review, particularly with respect to waste collection, was through a revision of the council's Waste Strategy, consistent with the waste hierarchy (Reduce, Reuse, Recycle).
- 3.3 In addition to this focus on improvement of the service and its outcomes, the review sought to identify and implement options for generating efficiency savings. It was intended the Review should deliver £500K savings in waste collection and disposal and meet the administration's green commitment to increasing recycling rates across Brent to 60%.

4.0 Waste Collection and Disposal – The Review

4.1 Background

The Review's objectives with respect to waste collection and disposal were as follows:

Develop a revised waste collection strategy to identify service objectives and new policies to:

- Promote and encourage the production of less waste.
- Increase recycling rate to 40% by 2011, to 45% by 2015 and to 50% by 2020 to ensure future National Indicators for waste are met.
- Reduce reliance on landfill.
- Reduce the carbon footprint of waste collection operations.
- Improve residents' satisfaction with waste collection services.
- Deliver a more inclusive and accessible range of services.

Generate around £500k annual efficiency savings in waste collection and disposal.

4.2 Current Situation

4.3 Brent has invested heavily in its recycling service in recent years, with the result that the recycling rate has improved from 6% in 2003 to 22% in 2006/07. Progress since then has been slower and now seems to have stalled under the existing system at around 28% in 2009/10. A central theme of the policy programme of the new administration is around sustainability and environmental improvement. A key commitment is to the development of a Green Charter and within that to seek to improve recycling rates to 60%.

4.4 It was clear that radical change in the current arrangements would be needed to meet the Council's obligations and the administrations ambitions.

4.5 Reducing collection costs per tonne and ensuring further expansion is financially sustainable was a significant consideration in developing new service options. It was clear that any one system alone would not achieve the required savings and achieve the improved recycling rate required. A mix of options needed to be considered. Fundamental changes to the methods currently used to collect waste are required for the new Administration to meet its goal.

4.6 Officers, therefore, researched a full range of options and combinations of options. This work included engagement with partners and stakeholders and the commissioning of consultants to undertake a technical appraisal of shortlisted options.

5.0 Waste Collection and Disposal Proposals.

5.1 At its August meeting, the Executive approved public consultation on one preferred option, specifically designed to deliver the improvement that is needed.

A 3-bin collection system for the majority of households was proposed. This will potentially deliver a 53% recycling rate in Year 4. The revised collection system is comprised of an expanded service to all low-rise properties, collecting a wider range of items including mixed plastics and tetrapaks, and the introduction of a recycling collection service for the first time to some 15,000 high rise properties. In particular:

For low rise properties:

Overall a weekly collection will be maintained, however different streams will be collected each week. These would be:

- **Residual stream:** Alternate weekly collection using existing wheeled bin.' No side waste' policy introduced.

- **Dry recycling:** New bin to collect recyclable materials co-mingled (mixed) on an alternate weekly schedule – to include cardboard.
- **Organic streams:** Green bins retained for 60,000 properties. Extension of the weekly scheme to cover the remaining 28,000 properties. New properties to receive food waste collection only. All 88,000 households will receive a kitchen caddy. Cardboard removed.
- **Communications:** Increase on communications spend to £120k in year 1 and then down to £60k/pa.

For high rise properties:

- Extension of the scheme to cover all flatted properties. Move to co-mingled collections.
- Delivery of some refuse to an unsorted waste materials recovery facility (a MRF)
- Organic waste collections from suitable properties only.
- Increase on communications spend to £78k in year 1 and then down to £26k/pa.

Other elements

- Targeted work to remove trade waste from household stream
- Targeted work to maintain high participation and capture rates
- Targeted work to minimise contamination of kerbside containers
- Retention of compulsory recycling.

5.2 A specialist waste model was used to analyse the likely outcome taking all the factors into account. The model showed that it is still unlikely that Brent will be able to achieve a 60% recycling rate by introducing the above elements alone. However, by working with the West London Waste Authority (WLWA) further progress can be made through the development of alternative treatment facilities.

5.3 A number of variables exist that will impact on recycling rates (e.g. waste arisings, levels of public engagement, the availability of alternative treatment facilities) Further progress may be made if a recycling incentive scheme is introduced. The draft Strategy pledges that officers will investigate suitable systems for future application in Brent.

5.4 Factors to be considered.

In approving these proposals for consultation, Members were asked to be mindful of the following:

- All households will see an increase in the range of materials collected which will provide an improved and expanded service that will improve the council's recycling rates overall and make savings.
- Residents will receive a weekly waste collection with refuse and dry recycling collections scheduled on an 'alternate weekly' basis. It is clear this policy must be embraced if recycling rates are to be improved.

- Organic waste collections will remain weekly.
- Weekly collections of both waste streams are not feasible if we are to reduce the amount of waste going to landfill. Weekly collections of both streams would double the collection resource and would not incentivise residents to make maximum use of the dry recycling bin. This would increase collection costs, stall recycling performance and may subject the council to increased disposal costs, whilst running against the waste hierarchy.
- A limit on side waste is also needed. This means that only waste that fits into the bin will be collected. This is a policy that has been proved to work in authorities achieving high recycling rates.
- A 3-bin system is an increase on the current container provision. The existing green box offers inadequate capacity and is unsuitable if progress is to be made. Additional capacity is to be welcomed. The only households that will need to accommodate 3 bins are those currently served by the organic waste service, i.e. those properties already deemed to be of a suitable size and to have large gardens. Smaller and more tightly packed properties will simply need to accommodate a new dry recycling bin to replace the box (similar footprint) and a food waste container, and variations in arrangements may be needed in special circumstances.
- Cardboard transfers from the organic service to the dry recycling service and thus coverage increases to include 80,000 properties. This will be welcomed by residents as a service enhancement.
- Implementation will require the procurement and distribution of a large number of containers, a process which must underpinned by a sustained period of promotional activity. This will be a complex and lengthy operation.
- The timetable for the procurement and distribution of bins is dependent on waiting times and 'slots'. These are influenced by levels of demand and may lead to delay.
- The timetable is also dependent on the procurement of new vehicles. This may similarly be affected by levels of demand.
- Increasing the amount of organic waste that is composted is dependent on officers procuring additional reprocessing capacity.
- Collecting dry recycling waste co-mingled (mixed) is dependent on officers procuring the appropriate reprocessing capacity.
- Delivering refuse to a MRF is dependent on officers securing that sorting capacity.

- Maintaining high levels of participation and material capture will require a reprioritisation of the work of the council's StreetCare Officers and the StreetCare Waste Policy Team.
- Monitoring and eliminating contamination of recycling containers will similarly require a reprioritisation of work.
- Removing trade waste from the household stream will require a reprioritisation of the work of StreetCare's enforcement team. The saving will be greatly reduced if this work is not undertaken for any reason.
- In essence, the ongoing work of StreetCare's waste management function will be to support the development and implementation of the new Waste Strategy.

5.5 Other Policies

The recommended option, together with a range of supporting policies, was incorporated into the Draft Waste Strategy. This revised document is available in full at Appendix B and should be read in conjunction with this report. The Draft Waste Strategy has now been consulted upon.

6.0 Consultation

The public consultation was undertaken between August 31st 2010 and October 20th 2010. The results are set out in full in Appendix A. The process and the main outcomes are summarised below.

6.1 Method

The Draft Strategy along with a questionnaire was directly mailed to the following groups:

- StreetWatchers
- Brent Youth Parliament
- Residents Associations
- Greater London Authority
- West London Waste Authority
- Environmental Groups
- Other Council Departments
- Housing Associations.

The Draft Strategy and questionnaire were made available online. The questionnaire was also included as an insert in the October edition of the Brent Magazine.

In addition, officers presented the proposals at all five Area Consultative Forums during September and October.

An electronic version of the questionnaire was also issued to the Brent Citizens' Panel, Brent Housing Partnership, community networks and Brent Sustainability Forum members. Notification of the consultation was given across the council through the Insight Magazine, Take 5 and the Brent Brief and Brent Staff Panel.

Information stalls were also present at the Brent summer festivals.

6.2 Results

Analysis of the results of the Consultation can be found in Appendix A.

The consultation generated 1,180 responses. 900 paper copies of the questionnaire were received along with 280 online responses. The main high level results from the consultation questionnaire are:

69% of respondents agree that new and bigger containers will help reduce the amount of waste sent to landfill.

54% of respondents agree that only waste that is placed into grey bins should be taken.

69% of respondents agree the council should consider rewarding residents who recycle.

71% of residents think the new service will be more convenient.

82% of respondents agree the new service will mean less waste is landfilled.

58% of respondents agree food waste collections at some flats will improve the local area.

Other comments

There is concern amongst residents about the need to accommodate an additional bin, particularly in areas where space is limited or at converted properties. **Officers will survey all areas where this is likely to be a problem. Whilst there is a need to make the service as universal as possible, officers will consider other options where appropriate, e.g. smaller bins, shared bins.**

The move to a co-mingled collection was questioned. One environmental group explained they would prefer the council to retain a source-separated service. They argue that this method best provides good quality material for recycling. **Officers are satisfied that co-mingled collections provide greater collection capacity and higher recycling rates. All the top performing local authorities in the UK operate co-mingled collections.**

There is some dissatisfaction about the move to less frequent residual waste collections, with particular concern expressed about the potential for

increased vermin and other public health issues. There is also some anxiety about the potential for increased fly-tipping. **Residents will still receive a weekly collection of organic waste. Extra capacity is provided for other waste. Fly-tipping will need to be monitored. Extra emphasis on enforcement and engagement will be needed.**

There is widespread support for the increase in the range of materials to be collected by the dry recycling service.

The extension of the food waste service to more households is welcomed.

Respondents would like to see more priority given to waste reduction and re-use initiatives. **Officers recognise this and will develop annual Waste Reduction and Re-use Plans.**

Residents welcome the expansion of the flats recycling service.

It is clear that residents would like to see better communication about waste and recycling. They ask that non-English speaking communities and properties let by landlords receive more targeted messages. They urge the council to use pictorial information wherever possible.

Some groups claim the consultation period was inadequate and have asked that it be extended. **The consultation ran for 7 weeks and was widely advertised. Key stakeholder groups were directly contacted.**

Residents have given support for the compulsory recycling policy but ask that it be better enforced. **Officers recognise the importance of proper monitoring and enforcement. The council's will continue to maintain its emphasis on education and positive promotion and will use strict enforcement only as a last resort.**

An environmental group specifically suggest the council should charge for garden waste collections and make separate food waste collections more widely available. They also ask that the council undertake summer environmental health audits to check the implications of fortnightly residual waste collections. **Charging would reduce participation and inhibit the council's composting performance. Officers recognise separate food waste collections are beneficial. This is the basis for providing such a service to 30,000 households. Officers have used national evidence and are satisfied that alternate weekly collections pose no increased health risk.**

The strategy is broadly endorsed by both the Greater London Authority (GLA) and the West London Waste Authority (WLWA). The GLA support the strategy's focus on reduction and re-use, its high recycling and composting targets and the potential for introducing incentive schemes for residents. They suggest the council should consider making some provision for the collection and recycling of commercial waste. They endorse the council's output-based approach to developing its strategy, i.e. using cost and carbon output as a basis for developing waste management services. They approve the council's

commitment to link communications and behaviour change activities with the Recycle for London programme. WLWA welcome and support the overall strategy. They say the policies support those already set out in their joint strategy. They also welcome the focus on waste reduction and re-use and endorse the council's approach to communications. WLWA's response is attached at Appendix D.

6.3 Conclusions

Officers consider that the consultation responses broadly support the view that the Draft Waste Strategy does not need to be fundamentally changed. There appears to be general agreement with the purpose and objectives of the Strategy.

7.0 **Waste Collection and Disposal - Implementation**

Implementation will commence as soon as Executive approval is given.

The implementation will comprise 4 elements of work – procurement, developing operational procedures, communications and the roll-out of the new service itself.

In terms of procurement, officers must purchase the necessary vehicles, containers and sorting capacity (detail is given at 8.0). There is also a need to secure additional local depot space to support the distribution of containers. Officers are investigating the potential for utilising a piece of council-owned land near Laxcon Close which is currently let to a skip-hire company.

There is a need to develop a range of service protocols to specify how the new service must be delivered. Officer working groups will be established to develop and document formal procedures. This will include the reorganisation of collection rounds.

A comprehensive communications plan will be developed to fully support the roll-out of the new service.

The roll-out itself is likely to take 6-8 weeks. This will be managed jointly by council officers and the appointed container suppliers. Veolia will commence collections as soon as all containers are in place.

The draft programme is set out below.

Activity	Programme	
Procurement	Vehicles	Dec 2010 – Sep 2011
	Containers	Dec 2010 – July 2011
	Treatment Capacity	Dec 2010 – July 2011
	Depot Space	Dec 2010 – March 2011
Operational	Service Procedures Developed	Nov 2010 – July 2011
Communications	Annual Plan Developed	Nov 2010 – March 2011

Roll-out	Bin Distribution	September / October 2011
	New Collections Commence	October 2011

8.0 Procurement

In order to implement the proposed changes, officers must procure new and additional collection vehicles, a range of new waste containers and capacity to sort mixed recyclable waste at a MRF. The timetable for this procurement is dependent on supplier waiting times and 'slots'. These are influenced by levels of demand and may lead to delay.

Vehicles

There is a need for new vehicles – both for the dry recycling service and the organic waste service.

Dry recycling vehicles

With a lead time of up to 9 months, the acquisition of these vehicles will lead the overall procurement programme. There is provision within the existing Waste Services Contract for Veolia to undertake this procurement on the council's behalf, thus taking advantage of their preferential bulk purchasing arrangements. These vehicles will either be retained by Veolia should they win the next contract or transfer to any new contractor at book value.

Organic waste vehicles

10 Brent-owned organic waste vehicles must be replaced by January 2012 to comply with emissions legislation. Officers are investigating whether compliance can be attained through modification rather than replacement of these vehicles. If this can happen, then the potential saving will increase. If not, then the cost of procuring these is factored into the cost model. Again, there is provision within the existing Waste Services Contract for Veolia to purchase these vehicles.

Containers

The required containers will be purchased using an approved and established procurement framework. Officers will develop a specification and will give notice to tenderers as soon as the Waste Strategy is formally adopted. Officers will seek subsequent Executive approval to award the container contract once a preferred supplier has been selected.

Waste Treatment

Waste sorting capacity at a MRF may be provided by Veolia through a legal variation to the existing Waste Services Contract.

9.0 Conclusions

9.1 In conclusion, the revised Waste Strategy has been endorsed through public consultation and is potentially able to improve the council's recycling rate and deliver an annual saving of over £1million within 3 years.

10.0 Financial Implications

10.1 The proposals come at a net cost in 2001/12 but generate a £923K saving in Year 2 of implementation.

This saving is based on a comparison with the current method which requires an additional cost of £242k per annum from year 2 onwards for the replacement of the 10 organic waste vehicles. The replacement of these vehicles is still required in the proposed method and therefore will be met from the forecast savings.

The financial implications of implementing the recommended waste collection options have been developed through discussion with Veolia but can only be considered as indicative at this time. An officer from Finance and Corporate Resources was a member of the project team and verified that the Veolia cost model was a reasonable estimation of the likely costs of each option. The final costs will be the subject of further negotiations with Veolia.

10.2 The cost of the new dry recycling vehicles is based on Veolia making this investment and depreciating the value of these vehicles over 7 years. The vehicles would transfer (at book value) to either Brent or any incoming contractor at the end of the current contract.

10.3 The cost of new containers has also been calculated. It is possible that these should be financed through a leasing arrangement over 5 years to avoid a significant 'up front' capital outlay. Again, however Brent Finance will consider options for funding the estimated £1.7m capital cost of new containers and the estimated financing costs of these containers have been built into the cost model.

10.4 Whilst the costs have been developed through discussion with Veolia they remain indicative only. A number of issues remain unresolved and will need to be explored further as the project progresses and the operational requirements become better understood.

10.5 There will be minimal other costs in 2010-11 (printing, publicity, etc), and these will be contained within existing budgets.

10.6 The summary of comparative costs between the existing service (i.e. no change) and the preferred scenario is as follows:

	Year 1 Oct'11	Year 2 2012	Year 3 2013	Year 4 2014	Year 5 2015	Year 6 2016	Year 7 2017	Year 8 2018
--	------------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

Scenario 00

% Diversion

28.3%	28.7%	29.0%	29.4%	29.4%	29.4%	29.4%	29.4%	29.4%
-------	-------	-------	-------	-------	-------	-------	-------	-------

Collection K£ PA	6,170	6,170	6,170	6,170	6,170	6,170	6,170	6,170
Other Costs K£ PA	80	322	322	322	322	322	322	322
Treatment K£ PA	7,743	8,326	8,914	9,496	10,110	10,723	11,337	11,950
Total k£ PA	13,993	14,818	15,406	15,988	16,602	17,215	17,829	18,442

Scenario 6B

% Diversion	41.3%	49.0%	51.8%	53.1%	53.1%	53.1%	53.1%	53.1%
Collection K£ PA	5,932	5,694	5,694	5,694	5,694	5,694	5,694	5,694
Other Costs K£ PA	918	711	711	711	711	723	711	418
Treatment K£ PA	7,632	7,490	7,709	8,020	8,416	8,812	9,208	9,604
Total k£ PA	14,482	13,896	14,115	14,426	14,822	15,230	15,614	15,716
Saving	-495	923	1,292	1,563	1,781	1,986	2,216	2,726

The Year 1 net cost of £495K assumes implementation from October 2011. The full year cost/savings comparison for implementation in each of the months from October

2011 to March 2012 is set out below. This shows the net cost will rise by roughly £60K for every 1 month's delay. If implementation slips to April 2012 the Year 1 cost will be 140K and all savings will slip one year.

OCT	NOV	DEC	JAN	FEB	MAR
-495	-553	-611	-670	-728	-786

It must also be noted that there may be one-off costs associated with the disposal of obsolete vehicles, but these are not possible to estimate at this stage. Redundancy costs have been estimated at £100K in the first year of implementation.

11.0 Legal Implications

11.1 Section 357 of the Greater London Authority Act 1999 ('the Act') requires the Council to notify the Mayor of London when it proposes to make amendments to an existing waste contract. Officers will need to ensure that they comply with the requirements of the Act when undertaking consultation on proposals for the waste collection.

11.2 It is proposed that the Council procure containers using an approved and established framework agreement established by another contracting authority. Contract Standing Order 86 (d) indicates that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority where the framework agreement is recommended by the relevant Chief Officer provided that the Borough Solicitor has advised that participation is legally permissible and approval to participate has been obtained from the Director of Finance and Corporate Resources save that any High Value contract may only be awarded on the approval of the Executive. As any contract for containers called off a framework would be a High Value contract, Executive approval will be required prior to letting such contract.

11.3 It is proposed that the Council vary its existing contract with Veolia with regard to Waste Treatment. Further legal implications are contained in Appendix C of this report regarding this issue.

12.0 Staffing/Accommodation Implications

12.1 Maintaining high levels of participation and material capture will require a reprioritisation of the work of the Council's StreetCare Officers.

12.2 Monitoring and eliminating contamination of recycling containers will similarly require a reprioritisation of work.

12.3 Removing trade waste from the household stream will require a reprioritisation of the work of StreetCare's Enforcement Team.

Appendices

Appendix A	Draft Waste Strategy Consultation Results
Appendix B	Draft Brent Waste Strategy 2010 – 2015
Appendix C	Legal Implications
Appendix D	WLWA response to consultation.

Background Papers

1. SLR Consulting Report
2. Draft Waste Strategy – Policy Summary
3. Waste Collection – Options Development

Contact Officers

Chris Whyte
Head of Environmental Management
x5342.

SUE HARPER
Director of Environment and Neighbourhood Services