



To: Executive Councillor for Environmental and Waste Services: Councillor Jean Swanson

Report by: Michael Parsons

Relevant scrutiny committee: Environment 11/03/2014 Scrutiny Committee

Wards affected: Abbey Arbury Castle Cherry Hinton Coleridge East Chesterton King's Hedges Market Newnham Petersfield Queen Edith's Romsey Trumpington West Chesterton

**Review of the large item / bulky waste collection service – potentially across Cambridgeshire.**

**Key Decision**

**1. Executive summary**

- 1.1. Cambridge City Council is required to achieve savings of £6.3M over the next four years. The refuse and environment service has been looking at a whole range of options to:
- identify realisable savings
  - reduce the amount of waste sent to landfill
  - increase the percentage of waste re-used or recycled
  - improve or maintain the customer experience
- 1.2. The City offers a chargeable large item / bulky waste service using in-house collection staff and 2 link-tip vehicles. These employees are also used to staff a commercial 'skip' type service, using the same vehicles.
- 1.3. There are a total of 31 link-tip bodies for the combined bulky waste and commercial service. It is felt that both vehicles need to be retained as, they are specialist vehicles and it is unlikely that a hire vehicle can be sourced when the other vehicle requires maintenance / servicing
- 1.4. This bulky waste service collects items that are too big to fit in a wheeled bin or are unsuitable to be disposed of in this manner. Under the Controlled Waste Regulations 1992, bulky waste is classed

as household waste for which a charge for collection may be made. This is a service that the council has statutory obligations to provide, but it is a service that could be provided by a contractor or third party.

- 1.5. The service review identified four alternative service delivery options for the bulky waste collection service. These are set out in the table below.

Option	Description	Bookings	Collection	Disposal
1	Do Nothing	Cambridge	In-House	County
2	Change Disposal Point	Cambridge	In-House	Contractor
3	Outsource Collection & Disposal	Cambridge	Contractor	Contractor
4	Outsource Service	Contractor	Contractor	Contractor

## 2. Recommendations

The Executive Councillor is recommended to approve;

- 2.1. The procurement of the collection and disposal of the bulky waste collection service to a suitably qualified social enterprise, charitable organisation or furniture re-use organisation in line with Option 3 above and in accordance with this report.

## 3. Background

- 3.1. Currently the large item / bulky waste collection service is split into two distinct strands due to the differing final disposal points of the bulky items. These are;
- The collection of hazardous goods, such as televisions, microwaves, car batteries etc. and End of Life Fridges and Freezers (ELFF's).
  - The collection of Large Domestic Appliances including Waste Electrical & Electronic Equipment (WEEE) such as cookers dishwashers, washing machines etc. together with all other items which are either too big to be disposed of in the black bin (e.g. bedroom furniture) or large amounts of additional black sack waste.
- 3.2. The current bulky waste service is offered to residents residing within the City boundaries (CB1-CB5) with 46% of collections being carried out in CB1 and 25% from within CB4.

- 3.3. The day of collection is determined by the residents postcode and whether there are any bookable 'slots' remaining for that postcode / day. There are a maximum of 10 'bookable slots' available for each working day. The number of 'slots' is currently restricted to ensure that the collection team can also complete the trade 'skip' requested on a set day.
- 3.4. The trade 'skip' type service operates within the wider boundary of Cambridgeshire, though the majority of collections (97%) are carried out within the City. The use of large 13 yard link-tip units for this type of work is unusual and no comparative performance could be found to benchmark against. Analysis of collections identified that the crews were carrying out an average of 76 journeys per month or approximately 19 per day. A single charge of £150 for collection and disposal is levied. It is not proposed to change this service to commercial customers.
- 3.5. The sharing of staff resource for both the bulky and commercial 'skip' type service is highly inefficient as the programming of the workload cannot accurately take into account the required travelling time between collections, the type and number of items being collected and the point at which the weight of the items requires the team to depart to the disposal point prior to re-commencing collections.
- 3.6. In order to ensure both services are delivered to customer expectations a degree of 'slack' is built in to the working day to ensure all work is completed on the day. In addition, the requirement to collect hazardous items separately means that the bulky waste collection team may have to re-visit the same property twice within the same week. This accounts for 3% of collections.
- 3.7. Charges for collections are determined by the item(s) to be collected and the number of items requiring collection. If there are more than ten items to be collected, a quote will be produced for the collection charge. The charges are as follows:

Number of Items	Price
One Item	£22
2 – 3 Items	£28
4 – 6 Items	£33
7 – 10 Items	£44
Fridges & Freezers	£22 each

- 3.8. In 2011/12 the Cambridge City Council disposed of a total of 25,090 tonnes of household waste to landfill, of which 506 tonnes (2.02%)

was bulky waste at a cost for disposal to the County Council of landfill tax @ £64 per tonne (£32,384). In 2012/13 the total amount of household waste landfilled decreased significantly to 24,695 of which 481 tonnes (2.25%) was bulky at a cost for disposal to the County Council of landfill tax @ £72 per tonne (£34,632). Currently landfill tax increases by £8.00 per tonne per year.

- 3.9. It is a key priority of the council to improve recycling rates in the City together with encouraging waste minimisation and re-use where possible. The nature of the current collection scheme prevents any of the collected bulky resources from being re-used. This is because the items have to be left outside for collection and the collection vehicle has no cover therefore spoiling items resulting in items not being in a condition for reuse.
- 3.10. There are currently no restrictions in the types of items that the resident can leave for collection, although a limit of 10 items per booking is imposed. This includes 'additional' black sack waste for which the council allows 4 sacks to be counted as a single item.
- 3.11. The inclusion of black sacks within the bulky waste collection stream is not common with other authorities, particularly if the service has been modified to a re-use service. Prohibiting the inclusion of black sack waste could help to reduce the amount of waste landfilled and further promote waste minimisation. This will be looked at during the tendering process.
- 3.12. There has been a growth in the number of organisations offering to collect potentially re-useable items from householders free of charge, with the collected items either being reused, refurbished or recycled.
- 3.13. Organisations such as 'Bulky Bob's' and Furniture Mine are tendering to supply local authorities with bulky waste collection services and successfully diverting waste from landfill. As a registered charity they are permitted to receive recycling credits from the City Council for further financial support, depending on the contract terms to be agreed with the City Council.
- 3.14. There are a number of benefits directly associated with outsourcing the service to social enterprises or charitable organisations which include:
  - Improved service delivery by increasing the number of collections per day and reducing service delivery times
  - Improved service delivery by ensuring all items requiring removal are taken same day (hazardous with non-hazardous).
  - The provision of low cost basic household items available to householders in the City on low incomes.
  - A direct positive impact on social welfare by supporting the aims of a suitably qualified social enterprise, charitable organisation

or furniture re-use organisation in third sector to provide training and employment opportunities to disadvantaged members of the community.

- Reductions in waste sent to landfill which are suitable for re-use, reduced refurbishment or recycling.
- Reduced CO<sup>2</sup> emissions as a result of reductions in waste to landfill.

3.15. In addition the outsourcing of the bulky waste collection service will enable greater capacity within the existing trade 'skip' collection service and reduce the amount of work occasionally passed to external businesses to provide continuity of service at peak periods and one-off events.

3.16. Cambridge County Council is currently working with 2 local organisations, AmeyCespa and the PCS (Producer Compliance Scheme) to provide WEEE reuse from WEEE items from Household Recycling Centres for local resale so there may also be opportunities for the City Council to share knowledge and build up on these arrangements.

3.17. Arrangements would need to be place to deal with disposal of any non-recyclable / non-reusable waste from an outsourced bulky waste service. So that any costs for disposal that were returned to County Council would be off set against the savings identified by Cambridge City in terms of savings to the Cambridgeshire council tax payer.

## **4. Implications**

### **(a) Financial Implications**

- The bulky waste collection service currently costs £55,000. The cost of service is offset by income in the region of £34,000 resulting in a net cost of £21,000 pa for the service.
- Currently two drivers are providing both the bulky collection and the skip service and it is proposed to reduce this by one providing an on-going staff saving £25,000. The on-going savings for transport, other employee costs and supplies and services revenue budgets amount to £21,000 p.a. This total cost of £46,000 is partly offset by a reduction in income of £34,000 pa. which would give a total year on year saving of £12,000.
- The 2014/15 saving is predicted to be £140,500 for both the bring and bulky collection service changes compared to £60,000 (SR3298) which was included in the budget report in January which is an additional £80,500 saving for next financial year. The on-going saving for 2015-16 onwards is currently estimated to be in the region of £61,000 pa for both services. This assumes that the bulky collection service retains the vehicle and the council does not receive any of the

bulky collection income from a contractor. The on-going saving included in the budget papers totalled £115,000 pa (SR 3297 and SR3298). Once the detailed costs of the new bulky service is known the actual savings may differ from the savings predicted as part of the January budget report. Any under/overachievements would need to be found from existing budgets or be brought to committee as part of future budget reports. Current predictions show that over the first three years the changes to the bring and bulky collection schemes would result in a total underachievement of savings of £27.5k which would need to be found from existing budgets.

(b) **Staffing Implications** (if not covered in Consultations Section)

- The team currently deployed in the collection of bulky waste is not deployed exclusively for this service and also with current staff vacancies would mean that transferring the service to an external party would not require TUPE or any staff redundancy.
- The outsourcing of the collection function, whilst retaining the customer contact point to the Customer Service Centre will require both parties to liaise closely prior to the service officially transferring.
- A single point of contact will have to be appointed to ensure that the contract is well managed, the excellent standard of service is maintained and accurate reporting of waste flow data is recorded.

(c) **Equal Opportunities Implications**

- There are no implications to residents in receipt of this service.

(d) **Environmental Implications**

- There would be reduced carbon emissions as a result of reductions in waste to landfill.
- By ensuring all items requiring removal are taken on the same day (hazardous with non-hazardous), there would be a reduction in carbon emissions due to the reduced collection trips.
- The city will increase the amount of waste sent for reuse and recycling.

(e) **Procurement**

- A procurement exercise will need to be undertaken in accordance with the council's procurement regulations

(e) **Consultation and communication**

- Consultation with staff together with unions would need to be undertaken in the event that further rationalisation of services were identified.

(f) **Community Safety**

- There are no community safety implications

## **5. Background papers**

These background papers were used in the preparation of this report:

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## **6. Appendices**

None

## **7. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact:

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