

## **Cabinet Meeting on Wednesday 15 June 2022**

### **Mobilisation of Staffordshire's Household Waste Recycling Centres**



**Cllr Simon Tagg, Cabinet Member for Environment, Infrastructure and Climate Change said,**

“The management and day-to-day running of Staffordshire’s Household Waste Recycling Centres is a large, complex operation and I am delighted that the move to bring the service back in-house has gone so smoothly.

“This will ensure we maintain the best service for residents, be sustainable and provide value for money for taxpayers and I know that users are already noticing improvements on the ground. Now we begin to think about long term development and our ambitious

plans to improve facilities and encourage more sophisticated recycling methods.”

#### **Report Summary:**

The HWRC’s located in Staffordshire, together with the transfer station at Leek, were run and operated on behalf of the authority by Amey who were awarded a two-year emergency contract that ran until 29 March 2022 following the termination of the previous contract by mutual agreement.

Cabinet approved the insourcing of the Household Waste Recycling Centres (HWRC) from 30 March 2022 on the 17 March 2021.

The inhouse HWRC service has been operating since 30 March 2022 and has already passed several milestones, TUPE transferring circa 60 staff, deploying new systems and establishing new contractors. It has also maintained the service throughout a number of bank holiday periods, which are always a time of high demand for the service.

The Waste Team is to further update Cabinet in October 2022 on the HWRC network, along with producing a 5-year costed maintenance improvement plan and a reviewed and updated HWRC usage policy.

## **Recommendation(s)**

I recommend that Cabinet:

- a. Note the work that has been completed to deliver the successful insourcing of the HWRC Network.
- b. Note that there is a current Policy for the Usage of Household Waste Recycling Centres that details how waste from non-household sources will be managed (Appendix 1).
- c. Note the need to review the current infrastructure and mobile plant across the network and invest where appropriate to maintain a modern, efficient network.
- d. To note that, following input from Prosperous Overview and Scrutiny Committee, it is intended that a report will be submitted to Cabinet in the Autumn on the HWRC network to consider a 5-year costed Maintenance Improvement Plan and reviewed and updated usage policy.



<b>Local Members Interest</b>
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If report is relevant to ALL Members, type 'N/A' into table
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Insert Members Name and Electoral Division
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#### **Recommendation(s) of the Cabinet Member for Environment, Infrastructure and Climate Change**

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#### **Report of the Director for Economy, Infrastructure and Skills**

##### **Reasons for Recommendations:**

##### **Background**

1. The Council currently provides a network of 14 HWRCs geographically spread across the county and Staffordshire residents also have access to the jointly funded site at Lower House Farm in Warwickshire. The service is well utilised by residents, with nearly 1.6 million visits per annum across the sites in Staffordshire. The service is also used by traders with c2,500 visits being made by registered traders in 2019/20.

2. Currently 42 material streams are accepted at the majority of HWRC sites and over the last five years an average of 71% of the tonnage has been recycled.
3. The HWRC's located in Staffordshire, together with the transfer station at Leek, were run and operated on behalf of the authority by Amey who were awarded a two-year emergency contract that ran until 29 March 2022 following the termination of the previous contract by mutual agreement.
4. Cabinet approved the insourcing of the Household Waste Recycling Centres (HWRC) from 30 March 2022 on the 17 March 2021. The following key outcomes were identified by Cabinet for the new in-house service:
  - a. A service that is safe to use and operate.
  - b. A service that maximises recycling opportunities.
  - c. A service that provides best value for the public purse.
  - d. A service that can match customer demand.
  - e. A service that has appropriate levels of customer satisfaction when considering the authorities overall budget and accountabilities.
  - f. A service that can offer flexibility so that service innovation/improvement is possible over the period of the contract.
  - g. A service that supports the priority outcomes of the authority.
5. As highlighted in the 2021 Cabinet report, further work has been carried out on the right sourcing of the haulage element of the HWRC service and an Officer decision (with Cabinet Member approval) was made to outsource this component. The Amey personnel impacted by this decision have TUPE transferred to the new haulage contractor (Biffa).
6. This report provides information on how Mobilisation Project Team has delivered against the key outcomes required for the insourcing of the service and includes a final recommendation for the future service direction. Member's attention is drawn to Appendix 1 which provides a Policy for the usage of Household Waste Recycling Centres.

### **Insourcing the service**

7. Insourcing the HWRC network offers benefits by giving the Council more control over the service, with greater flexibility in delivering future efficiencies and meeting the changing needs and expectations of service users.
8. However, as the service has not been under the direct operation of the Council for some 27 years there is a higher level of responsibility

associated with insourcing due to the number of operational and legal requirements that need to be in place.

### **A service that is safe to use and operate**

9. To manage these risks to both people and the environment the Operational Waste and Health & Safety teams have worked together to produce a management system. The system comprises policies, minimum standards, procedures, records and defines our legal and contractual compliance and internal standards. This system was deployed on day one of the insourcing and is currently undergoing a process of review and embedding.
10. In advance of day one all sites have been Audited by the Health and Safety team who have put together a report on items of concern or require a review. New procedures such as Safe Working Procedures and Risk Assessments for the operation have been produced.
11. The Management System has a set of procedures that detail how the service will operate to minimise risk of pollution from the activities covered in the site environment permits. Each site has its own management system with specific plans and procedures on how the service will reduce its impact on the environment.
12. Entrust have also surveyed all sites identifying current defects and prioritising them. Defects that are a high risk to health and safety have been rectified either before SCC taking over the HWRCs or immediately after, making the HWRCs safer for all site users.
13. Going forward a service that is safe to use and operate, will be key to the success of the service and will be monitored by Key Performance Indicators (KPIs) such as number of accidents and near miss reporting and Environment Agency Compliance Assessment report scores.

### **A service that maximises recycling opportunities**

14. Recycling rates at the HWRCs have been monitored for a number of years. In recent years there has been a trend that recycling is falling, and the general waste has been increasing. There are a number of factors that are causing this including, capacity on sites, haulage resources and staff understanding of off taker's requirements.
15. All three of these causes have been addressed in the insourcing project. The contracting with Biffa for haulage has resulted in an increase of daily material transport , with an average of 4 lorries

available on a daily basis under the previous contractor, to an average of 7 lorries a day under the Biffa contract.

16. This has created more capacity on site, and more opportunity to capture recyclable material. This is coupled with better staff awareness of the correct procedures and the requirement to improve the recycling rate.
17. While it is still very early, there are initial indications that tonnage of some types of waste are falling. Going forward it is proposed that this will be monitored through the overall amounts of materials being recycled through the HWRC network, expressed as a percentage.

### **A service that provides best value for the public purse**

18. Financial considerations were not the sole driver for the selection of the in-house delivery model when Cabinet made the decision in March 2021. However, it was noted that the model was anticipated to be the lowest cost option for the Council.
19. There are initial indications that the some of the changes made by the Council are having a beneficial effect on costs and income. For example, the management of the high value materials off takers, through a Dynamic Purchasing System (DPS), has resulted in some very competitive income prices and savings in disposal costs.
20. Alongside this, off takers for low value materials that have not been procured through the DPS, have been selected using 3 quotes to ensure best prices are achieved.
21. The selection of off takers has also factored in location, so that price also considered haulage costs and carbon miles, resulting in the best disposal outlets for overall costs and resulting in a positive impact on carbon emissions.
22. The management of off takers will be vital in demonstrating value for money. Prices will be annually reviewed and reprocured to ensure the Council continues to maintain best value.

### **A service that can match customer demand**

23. The HWRC service is a 7 day a week service, only closing for 3 days (Christmas Day, Boxing Day and New Year's Day) in the year. This creates constant demand for the service. External factors such as weather and time of year can also affect demand for disposal of certain materials at certain points of the year. It is vital that the service has flexibility to respond to these pressure points.



24. The haulage contract that has been agreed with Biffa delivers this. Biffa has based their fleet at two HWRCs, rather than one, as they were under the previous contract. This has improved the support that haulage can offer the sites across the county, with more efficient exchanges of full bins.
25. The contract also has provision of flexibility with a requirement for at least 7 Lorries available throughout the week. However, this can be reduced or increased depending on workload.
26. Going forward this will be monitored through the number of lorries being used on contract and the payload loads of bins that are collected along with incidents of when sites run out of storage capacity.

**A service that has appropriate levels of customer satisfaction when considering the authorities overall budget and accountabilities**

27. The HWRC service has always received relatively low amounts of complaints and compliments, January – December 2021, 102 complaints and 21 compliments especially when compared to the total number of visitors for the same period of 1,573,345.
28. The increased haulage and better provision of tools and equipment is leading to an improvement in site management which has already been noticed and highlighted by off takers and members of the public.
29. Key to the success of the insourcing project is to maintain a low number of complaints and increase the number of compliments, which will continue to be monitored.

**A service that can offer flexibility so that service innovation/improvement is possible over the period of the contract**

30. There are several innovations that have been brought to the network. All sites have been supplied with appropriate ICT equipment. This is allowing for efficient communications and training between sites and the management team.
31. There is a new CCTV system being installed across all sites. A live stream from each site will be accessible via the internet so that members of the public will be able to better plan their visits. The CCTV System will also allow improved accident and incident investigation. Also coupled with the new body worn cameras, that are being deployed, this will improve security for operatives and other site users.

32. A new data handling system for recording waste movements on and off sites has been developed with a contractor. Staff were trained and the system was implemented on day one of operations. Officers are working with the contractor to improve the system to incorporate other requirements, for example machine pre use checks, daily site checks and plant checks.

### **A service that supports the priority outcomes of the authority**

33. The new HWRC service is supporting Staffordshire economy, using local off takers for the materials that are generated. It is continuing to operate a Trade Waste and Small Business disposal scheme, offering local businesses a compliant solution to the waste they generate in line with the current approved policy framework.
34. The Network is already considering the impact of its activities on the environment along with the carbon created through the haulage elements of the operations. Along with offering residents of Staffordshire more opportunity to recycle and improve their carbon footprint.

### **Moving forward**

35. The inhouse HWRC service has been operating for some 10 weeks and has already passed several milestones including, TUPE transferring circa 60 staff, developing new systems and off takers. It has also maintained a service throughout a number of bank holiday periods, which are always a time of high demand for the service.
36. The service has already begun talks with Biffa to change to using alternative low carbon fuels over diesel. This change is planned to be completed by the end of the year and will significantly reduce carbon emissions generated from hauling materials to off takers.
37. It is becoming clear there is demand for the service from a number of non-Household sources, such as Waste Collection Authorities, Charities, Schools, and Traders. HWRCs are principally provided for residents to dispose of their household waste, and to do this successfully, capacity needs to be managed, meaning that, ideally, at times waste from other sources needs to be controlled.
38. There is an existing approved Policy for the Usage of Household Waste Recycling Centres that details how waste from these sources will be managed. However, it was produced and approved in 2013 (Appendix 1), so it is appropriate that it is now reviewed and updated.



39. Alongside the need to review this policy, there is a need to review the current condition of the infrastructure and mobile plant across the network. It is apparent that there has been under investment in maintenance of the network for several years which has led to significant investment being required to bring the network up to an appropriate standard.
40. The intention of the Waste Team is to further update Cabinet in the Autumn of 2022 on the HWRC network along with producing a 5-year costed Maintenance improvement Plan and an updated HWRC Policy.

### **Legal Implications**

41. The provision of the suitable Household Waste Recycling service is a statutory function of the County Council.
42. Legal support and advice have been maintained throughout the insourcing of the HWRCs, setting up of the DPS and associated contracts.

### **Resource and Value for Money Implications**

43. The HWRC budget continues to be monitored closely following the move to bring the service back in-house.
44. There are a number of site improvements that will be required in the next few months. These include replacement bins and replacing the floor in the Burntwood site office. There may be further other urgent work that is required before the October 2022 Cabinet update. It is essential that these, and similar repairs and replacements that are deemed essential to ensure the service continues to operate safely, are carried out as soon as possible and a provision has been made in the 21/22 outturn report to cover up to £0.250m of these costs.
45. Like other capital spend, the amount spent on emergency HWRC defects will be reported as part of the quarterly performance monitoring reports to Cabinet. This will only be work that is necessary to keep the sites safe and if further budget above the provision is required, this will need to come from reserve balances.
46. The completed five-year costed maintenance improvement plan is likely to require additional funding outside of the HWRC revenue budget and this will be recommended in the October Cabinet update.

## **Climate Change Implications**

47. The Waste Service has been the authorities largest Carbon emitter since it began its annual carbon monitoring, following its Climate Emergency Declaration, in July 2019.
48. The insourcing of the service gives the authority direct control over how it manages a major part of the operation. Offering residents more opportunity to apply the waste hierarchy to the material they want to dispose of, in turn reducing carbon their emissions.
49. Positive steps have already been made in factoring carbon into the selection of off takers. Switching to Low carbon fuels for haulage will deliver more carbon savings. There are a number of other projects being considered that will further improve the services emissions, helping the authority meet its Climate Change Targets

## **List of Background Documents/Appendices:**

Appendix 1 – Current Policy for the Usage of Household Waste Recycling Centres

Community Impact Assessment – Summary Document

## **Contact Details**

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