

2018-2020 Financial Planning and Budget Setting Process Business Case for Change

1. Summary

Title	Alternate Weekly Collections
Business Case Number	Great Place – 10 Year Waste Strategy
Service Area(s)	Local Environmental Services
Member	Councillor John Stirling
Project Sponsor	Phil Scott
Project Lead	Samantha Dand
Council Plan Theme	Our Place
Creating a Brighter Future Theme	Great Place to Live, Work and Visit
Saving or Income	Saving
Total 18/19 Savings/Income	(£218,000)

2. Business Case

Summary

Due to the end of the government's Weekly Collections Support Scheme, consideration needs to be given to look at new ways of managing waste and recycling without this funding. In addition to the loss of grant waste levels continue to increase and figures indicate that a rise of 2.6% per annum is expected, which would mean an additional 3,000 tonnes of rubbish every year to manage at an additional cost of around £350,000. Although there are a number of factors that affect waste growth, the state of the economy is the single biggest factor. North

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Tyneside is also a growth point in terms of new households.

Other pressures associated with the collection and disposal of waste across the borough including:

- Waste disposal costs
- Recycling costs in an unstable market
- Household Waste Recycling Centre and non-household waste

This proposal is to introduce alternate weekly collections from 2018/19. This would generate the greatest level of savings through reduced waste disposal charges and some collection savings and requires a limited amount of investment.

Alternate Weekly Collections work positively by increasing householders' awareness of the waste they throw away and different ways to deal with it. This not only leads to a reduction in waste arisings but also greater capture of recyclable waste.

Alternate Weekly Collections have been successfully implemented in more than 70% of authorities across the country, which has led to an increase in recycling rates and a decrease in waste overall, with associated financial and environmental benefits. All of our neighbouring authorities now operate on alternate weekly collection.

With alternate weekly collection, waste is still collected every week. Recyclables are collected one week and refuse the next week. There are a small number of premises within the borough that are unsuitable for alternate weekly collections.

Overall, this would result in an increase in recycling levels with less waste being put in residual waste bins. In some cases, residents are already only putting residual waste bins out every fortnight.

RISKS AND CONSIDERATIONS

- **RISK** - Anticipated household growth of an average of 790 new properties each year- until 2032 (as per the Local Plan), which will increase the volumes of waste and associated cost increases for the Authority in relation to disposal and collection.
- The savings are based on reducing the amount of waste produced overall and increased recycling, which is dependent upon residents' behavior.
- Costs of processing refuse and recycling are dependent upon the relevant contract and can fluctuate.

There are some perceived health concerns with alternate weekly collections. However, a study by the Chartered Institute of Waste Management and Waste

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Resource Action Programme concluded there is **no** direct evidence that fortnightly residual waste collections have led to any health impacts for either householders or operatives in the UK.

Target Operating Model – alignment to key principles

1. We understand and manage demand	✓
2. We enable people to help themselves	✓
3. We use intelligence to target resource at those to best effect	✓
4. We maximise income and reduce long term cost	✓
5. We work in partnership to improve outcomes	✓
6. We are innovative and utilise technology to improve outcomes	✓

3. Financial Implications

Net Savings / Income	Cost Centre & Subjective	Part year? months	18/19 (£000s)	19/20 (£000s)
Weekly alternative collections	01106/ 01113/ 01251	8	(218)	(100)
Total			(218)	(100)

Financial Analysis 2018/19

	Value (£000s)
Employees	(109)

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Supplies and Services	20
Third party	(88)
Support services (transport recharges)	(41)
Total	(218)

4. Staffing Implications

Staffing Implications

- There will be a reduction in 6 full time employees associated with the introduction of the **alternate weekly** residual collections.

Affected FTE [Reduction (-), Increase (+)]	2017/18	2018/19	2019/20	20/21
6 FTE	8 mths	(6)	0	0
Total		(6)	0	0

5. Delivery Plan, Risks and Outcomes

Key Milestones

Milestone	Lead Officer	Completion Date
Full reorganisation of all 97,500 household collections along with commercial and school collections	Waste Team	January – April 2018
Develop a Communications Plan	Comms Team	January 2018
Develop an exception criteria	Waste Team	March 2018
Communicate changes to public	Comms Team/Waste Team	June to August 2018

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Introduction of alternate weekly collections	Waste Team	August 2018
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Risks		
Risk	Risk Score	Mitigating Actions
Delay in introduction of implementation of AWC as a result of changes to collection rounds affecting potentially 97,500 households, 700 businesses and schools who have a collection agreement with the Authority.	D2	Early consultation and communications with the public re changes. Review of all collection rounds to be finalised by April 2018.
Delay in the delivery of a new recycling vehicle	C3	New recycling vehicle to be included in the fleet replacement programme 2018/19. We will be taking delivery of 8 new recycling vehicles during Jan-April 2018, as part of the existing fleet replacement programme. One of the old recycling vehicles will be retained until we take delivery of the new additional vehicle for the start of AWCs in August.

Performance Indicators		
Indicator	Baseline	Target
Total amount of municipal waste collected (tonnes)	108,826	108,000
Total waste produced per household (kg)	1,023	950
% Household waste sent for reuse, recycling & composting	36.25%	39%
% of Municipal waste sent to land fill	10.15%	8%
% of household waste land filled	11.9%	9%

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6. Other Requirements / Dependencies

Technology Requirements

None

Client / Customer Implications

- All of the options will require timely and extensive resident engagement and ongoing communication.
- Change in residents' behavior.

Partner / Stakeholder Implications

There are contractual implications associated with the proposal. Discussions will be required with the main contractors, SUEZ and O'Brien Waste Recycling Solutions, prior to any significant change to the frequency of collections.

Equality and Diversity Implications

An EIA has been prepared

Is this project also included / supported by Capital Investment?

Yes

Fleet requirements already included in Vehicle Capital

7. Sign Off

Mayor / Cabinet Member(s)

Cllr J Stirling

Head of Service(s)

Phil Scott

Finance Manager

Alison Campbell