

Initial Business Case

with Strategic Assessment

Rethinking Waste Programme

NT310

Purpose of this document

The **Initial Business Case** is created at the beginning to set out preliminary thoughts about the idea – issue / problem / challenge / opportunity - and is developed during the **Initiate Phase** of the **Transformation Framework**.

This **Initial Business Case** has more than one purpose – it combines the mandate for the intervention, the business case for project / programme and the strategic context, which will be part of the developing business case.

The document focuses on the reasons for an intervention and setting up a programme / project. It covers:

- A strategic assessment providing the strategic context for the programme / project and how it aligns with other projects and programmes
- An assessment of the nature and type of programme / project and whether it should be managed as part of the transformation portfolio
- Proposed approach for managing the next phase and developing a business case

There is opportunity within the **Initiate Phase** to influence the direction, scope and content of the programme / project.

The **Initial Business Case** outlines the concept for the project / programme and justification for further exploration work. It is used at the start of the planning process to support decision making at **Gate 0** and obtain approval and agreement to proceed with work in the **Discover and Define Phase** and to develop of a business case.

Key Information

Preliminary name for intervention	Rethinking Waste
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Revision History

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Approvals & Distribution

This document requires the following approvals.

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This document has also been distributed to:

Consider and include other elected Members and other officers - depending on scope of work may be more than one Cabinet Member / portfolio impacted or interdependencies

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Glossary

Abbreviation	Name
CRC	Community Recycling Centres
D&Bs	Districts and Boroughs
DEFRA	Department of Environment, Food and Rural Affairs
EfW	Energy from Waste
RWP	Rethinking Waste Programme
RWS	Resources and Waste Strategy for England 2018
SCC	Surrey County Council
SEP	Surrey Environment Partnership
WCA	Waste Collection Authority
WRAP	Waste and Resources Action Programme

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1. Executive Summary

The current Waste Private Finance Initiative (PFI) contract with Suez provides the treatment and disposal of all local authority collected waste arising within the county. This contract expires in September 2024, and Surrey County Council needs to commission new service arrangements.

Commencement of the new arrangements is likely to coincide with the implementation of the Government’s Resources and Waste Strategy (RWS) for England. This national strategy will introduce fundamental changes to waste collection and treatment regimens and seeks to place the UK in the global vanguard of nations seeking to address the climate emergency. The RWS will also be fundamental to Surrey County Council achieving the ambitions set out in the Climate Change Strategy for Surrey in its overall ambition and target to support Surrey’s Carbon Neutral Pathway¹, of 80% reduction in county wide emissions by 2035, compared to business as usual and net zero emissions by 2050.

The Council’s Transformation Support Unit has identified the Rethinking Waste programme as a key transformation programme for the Council. The programme is currently in the analysis phase, and evidence is currently being gathered to inform contract and specification design as well as to define the procurement route and to shape collaboration with districts and boroughs.

This document sets out the ambition of the programme, governance arrangements, the benefits to be delivered, the approach to realising the benefits and outcomes and the principal risks and constraints.

2. Background and strategic context

2.1. Issue, problem or opportunity

Surrey County Council (SCC) is coming to the end of its 25-year Waste PFI contract with Suez. The contract expires in September 2024. The current contract is a single contract which includes:

- Provision of infrastructure, specifically a 55 KT gasifier for residual waste and 40 KT anaerobic digestion facility for food waste;
- Management of 5 transfer stations;
- Management of 15 community recycling centres (CRCs);
- Provision of 5 reuse shops;

¹ The emissions pathway that will ensure achievement of net zero carbon emissions by 2050 (or other specific date). Such that, SCCs strategic priorities and accompanying actions will deliver against their emissions reduction targets, identified through the creation of a science-based carbon neutral pathway.

- Haulage and treatment of kerbside collected residual waste, green waste, food waste and dry mixed recyclables; and
- Haulage and treatment of all materials collected at the community recycling centres.

Consequently, SCC needs to commission new service arrangements for all these elements. The proposed programme of activity described in this initial business case forms the waste commissioning strategy and will shape the new arrangements.

1. Running in parallel to our need for the reprocurement of our waste services, is the roll out of the Government's Resources and Waste Strategy, 2018 (RWS) (the legal foundation of which will be in the Environment Bill²). The draft strategy that was released in 2018 has been subject to one public consultation so far, with another expected in March of 2021. Whilst the RWS has not been finalised yet, there are several key aspects of the national strategy which are expected, and which will impact on local government's delivery of these services:

1. A target of zero avoidable waste by 2050
2. The phasing out of avoidable plastics
3. New targets for waste and recycling
4. A target to stop food waste to landfill by 2030
5. Reform of the Packaging Recovery Note (PRN) system

The impacts on local government as a result of this national strategy are summarised in **Table 1**. This table also includes the on-going or planned work we are doing future proof the Council's services in respect of these expected changes to national policy.

Table 1 - Summary Impacts of RWS on Local Government

Theme	Impact	What work is going on?
Zero avoidable waste by 2050	<ul style="list-style-type: none"> - Circular Economy - Emphasis on carbon reduction - Deposit Return Schemes 	<ul style="list-style-type: none"> Carbon baseline assessment Waste flow modelling
The phasing out of avoidable plastics and Reforming the Packaging Recovery Note (PRN) system	<ul style="list-style-type: none"> - Extended Producer Responsibility - Deposit Return Schemes 	<ul style="list-style-type: none"> Engagement with DEFRA and coordinating response to second consultation on Resources and Waste Strategy Consistent collections modelling in partnership with SEP and WRAP
New targets for waste and recycling	<ul style="list-style-type: none"> - Consistent collections and wider collaboration - Movement away from measurement by weight e.g. carbon-based metrics, resource productivity per capita 	<ul style="list-style-type: none"> Carbon baseline modelling Waste flow modelling Consistent collections modelling in partnership with SEP and WRAP
Stopping food waste to landfill by 2030	<ul style="list-style-type: none"> - Mandatory separate food waste collection 	<ul style="list-style-type: none"> Separate food waste collection already in place. Partnership work with SEP to increase food waste capture.

In addition to the national strategy, SCC has adopted a Climate Change Strategy, with an overall ambition and target to support Surrey's Carbon Neutral Pathway of 60% reduction in emissions by 2035 and net zero emissions by 2050. Within this strategy, there are specific targets relating to waste management and the circular economy. The ambition for waste management is stated as: *Rethink[ing] our current approach to waste, to create a system centred on circular economy principles that seeks to prioritise the reduction of waste creation, encouraging innovative approaches to waste reutilisation and recycling - throwing away will become a last resort.*

² [Environment Bill 2019-21 — UK Parliament](#)

The targets associated with this ambition are:

- 75% of packaging reused or recycled by 2030;
- 70% Of all local authority collected waste reused, composted or recycled by 2030, and
- 0% of waste sent to landfill by 2030; 50% reduction in food waste generated by 2030.

The specific priorities where waste can support are identified as:

- Working across government authorities and businesses to strengthen producer responsibility, along with practical, innovative and effective information and guidance for consumers to reduce waste generated, particularly food.
- Using education and best practice sharing to drive significant behaviour change within Surrey to encourage the adoption of more sustainable purchasing practices.
- Where waste is produced, we will work with partners to develop practical, innovative and effective methods for increasing reuse and recycling rates. We will also evaluate the current carbon impact of recycling collection and disposal practices so that their impact can be lessened e.g. electrification of rubbish collection vehicles.

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2.2. Systems and stakeholders

Table 2 shows the stakeholders which are part of, of or impacted by the Rethinking Waste Programme (RWP) of work. Initial work has been conducted to show their salience and communication required during the initial phases of the programme. Salience is a measure of power (or influence), legitimacy and urgency.

During the initial phases of the work, the main stakeholders are those in SCC and members of the Surrey Environment Partnership (SEP). This is because the initial stage of the work involves collecting baseline information for the current waste management system such as: cost, performance, contracts, lessons learned, carbon and infrastructure availability.

Table 2 - Stakeholder Salience Review – Analyse Phase

Organisation	Name	Role	Power	Legitimacy	Urgency	Salience Category*	Comms Needs
SCC	Exec Director ETI	Sponsor	Y	Y	Y	Definitive	Critical. Keep informed, satisfied and involved
SCC	Director - Environment	SRO	Y	Y	Y	Definitive	
SCC	Cabinet / Cabinet Member	Political Leadership	Y	Y	Y	Definitive	
District and Boroughs in Surrey	Surrey Environmental Partnership	Waste Collection Authorities	Y	Y	Y	Definitive	
Waste Charity / Adviser	Waste Resources Action Programme	Adviser	N	Y	Y	Dependent	Keep informed
SCC	SCC Finance	Finance	Y	Y	N	Dominant	High Priority. Needs to be considered
SCC	Waste Team	Disposal Authority	Y	Y	N	Dominant	
SCC	SCC Procurement	Procurement	Y	Y	N	Dominant	
SCC	Waste Planning Authority	Planning Authority	Y	Y	N	Dominant	
Commercial Organisation	Surrey Businesses	Influencer, Customer	Y	Y	N	Dominant	Contributor. Little attention required
Surrey Residents	Residents	Customers	Y	Y	N	Dominant	
SCC	SCC Legal	Legal	N	Y	N	Discretionary	
Government Body	Department for Environment, Food and Rural Affairs	Government	N	Y	N	Discretionary	Inform ad hoc
Water Company	Thames Water	Neighbour**	N	Y	N	Discretionary	
Voluntary Sector	Voluntary Sector	Supplier	N	Y	N	Discretionary	
Government Body	Environment Agency	Regulator	N	N	N	Non-stakeholder	

Organisation	Name	Role	Power	Legitimacy	Urgency	Salience Category*	Comms Needs
Local Government	Kent County Council	Peer	N	N	N	Non-stakeholder	
Local Government	Hampshire County Council	Peer	N	N	N	Non-stakeholder	
Local Government	East Sussex County Council	Peer	N	N	N	Non-stakeholder	
Local Government	West Sussex County Council	Peer	N	N	N	Non-stakeholder	
Local Government	South London Waste Partnership	Peer	N	N	N	Non-stakeholder	
Local Government	West London Waste Authority	Peer	N	N	N	Non-stakeholder	
Local Government	Reading, Wokingham & Bracknell	Peer	N	N	N	Non-stakeholder	
Local Government	RB Windsor & Maidenhead	Peer	N	N	N	Non-stakeholder	
Commercial Organisation	Waste Industry	Supplier	N	N	N	Non-stakeholder	

* Salience Category at Analyse Phase of programme, this will change for each stakeholder as we move through the commissioning process.

** Neighbour refers to the fact that Thames Water neighbour several of our transfer stations.

2.3. Strategic aims and priorities

The RWP forms part of SCC's transformation programme and will help to realise Surrey's 2030 Community Vision; supporting clean, safe and green communities, 2050 Place Ambition; creating a greener future, partnership and supporting the local community and taking a fresh approach to partnership, and Climate Change Strategy; reducing carbon in the waste system to support net zero emissions by 2050. The table below indicates how the RWP will complement the delivery of the objectives stated in the various strategies adopted by SCC.

<i>Surrey 2030 Community Vision</i>	<i>Indicate all that apply</i>
<i>Ambitions for People</i>	
<i>Children and young people are safe and feel safe and confident</i>	
<i>Everyone benefits from education, skills and employment opportunities</i>	
<i>Everyone lives healthy, active and fulfilling lives</i>	
<i>Everyone gets the health and social care support and information they need</i>	
<i>Communities are welcoming and supportive</i>	
<i>Ambitions for Place</i>	
<i>Residents live in clean, safe and green communities</i>	Yes
<i>Journeys across the county are easier, more predictable and safer</i>	
<i>Everyone has a place they can call home, with appropriate housing for all</i>	
<i>Businesses in Surrey thrive</i>	
<i>Well-connected communities</i>	
<i>SCC Organisation Strategy 2020-2025</i>	
<i>Indicate all that apply</i>	
<i>Tackling inequality</i>	
<i>Supporting independence</i>	
<i>More joined up healthcare</i>	
<i>Creating a greener future</i>	Yes
<i>Embracing Surrey's diversity</i>	
<i>Partnership</i>	Yes
<i>Supporting the local economy</i>	Yes
<i>Digital revolution</i>	
<i>Principles guiding our work</i>	
<i>Focus on ensuring no one is left behind</i>	
<i>Take a fresh approach to working in partnership</i>	Yes
<i>Support people to help themselves and each other</i>	
<i>Involve and engage residents earlier and more often in designing and delivering services, and responding to challenges</i>	Yes
<i>Other relevant policies, strategies or objectives</i>	

Surrey's Climate Change Strategy

Overall Ambition and Target: Support Surrey's Carbon Neutral Pathway: 60% reduction in emissions by 2035, net zero by 2050.

There are specific targets relating to waste management and circular economy, as detailed in Section 2.1. Other targets we have identified, where waste services can support, include:

Organisational Emissions: *Ambition:* Achieve net zero carbon local authorities that lead by example in promoting sustainable practices across their operations, estate, and vehicles. *Target:* Net zero carbon for all Surrey's local authorities by 2035 or sooner and net zero carbon for SCC's organisational emissions by 2030 or sooner. The specific priorities where waste can support are:

- Strategic Priority 2 (SP2) All council-owned vehicles, including SCC-owned bus fleet, to be zero carbon by 2030 or sooner.
- Strategic Priority 3 (SP3) Use our influence across our supply chain through procurement practices to drive significant carbon emission reductions in the operations of our staff, suppliers and partners.

Buildings and Infrastructure: *Ambition:* To drive forward the transition to a zero-carbon built environment, through the pursuit of lower operational energy use, increased supply of renewable energy to Surrey's buildings and reduced embodied carbon – the GHG emissions associated with non-operational phases e.g. construction. *Target:* 61% emissions reduction across commercial and public buildings by 2035 against BAU as a minimum and 100% Reduction in CO₂e from municipal buildings (owned and operated by Surrey local authorities) by 2030. The specific priorities where waste can support are:

- Strategic Priority 1 (SP1) Significantly improve the energy efficiency standards and practices of commercial buildings in Surrey to reduce energy consumption whilst reducing the cost for businesses.
- Strategic Priority 2 (SP2) Review and update planning policy to produce infrastructure that is better integrated, enabling the delivery of wider ambitions on local renewable energy generation and vehicle electrification.
- Strategic Priority 3 (SP3) Work with stakeholders to develop a systems-based approach to development and infrastructure that considers the whole-life cycle of construction, including water consumption, and promotes the integration of green infrastructure for climate change adaptation.

3. Objectives, current situation and business needs

3.1. Targeted outcomes and key objectives

The RWP is seeking to fundamentally shift the way the Council deals with municipal waste within Surrey, driving a circular economy that sees us keeping resources in use if possible, so we extract maximum value from them. SCC will create new infrastructure and work with districts and boroughs in a more collaborative way to make efficiencies and reduce the production of waste, maximise recycling and reuse and minimise the use of landfill.

The initial objectives of this programme are for the re-procurement (*replacement*) of waste services to meet our statutory obligations as the Waste Disposal Authority (WDA) for Surrey (*compliance*). However, the desired outcomes of the project go beyond the re-procurement and are as follows:

Effectiveness

- To ensure a circular economy model is adopted to minimise waste and maximise value of resources

Efficiency

- To minimise the amount of waste produced
- To reduce the carbon impact of waste collection and disposal
- To reduce the illegal dumping of waste by fly tipping
- To increase the amount of waste that is recycled or reused
- To reduce the amount of waste sent to landfill
- To maximise resource recovery of residual waste

Economy

- To ensure our service costs are best value for money.

3.2. Current situation

Surrey residents currently generate over 500,000 tonnes of household waste, annually. Responsibility for collection of this waste from homes rests with districts and boroughs. However, SCC has a statutory duty for its disposal, which includes recovery of material for recycling or reuse. SCC is also responsible for providing community recycling centres and managing the waste collected at these facilities.

39,000 tonnes of kerbside collected food waste were processed in 2019/20. All WCAs offer separate weekly food waste collections to all street level properties. However, services provided to flats are more sporadic. Most of the food waste is now processed at the Eco Park Anaerobic digester with any excess material being treated at anaerobic digestion plants in SE England. The cost of haulage and disposal at third-party facilities is currently around £34 per tonne including haulage.

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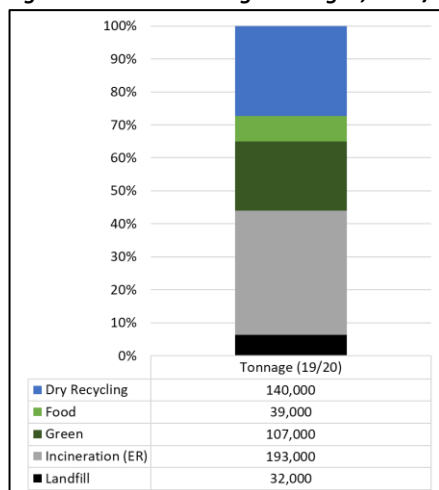
Figure 1 shows a breakdown of the tonnages of the various types of waste material processed by SCC in 2019/2020.

140,000 tonnes of kerbside collected **dry recycling** were processed in 2019/20. The district and boroughs as Waste Collection Authorities (WCAs) offer a variety of different recycling collections services: for instance, one authority has a separate paper and card collection; one authority has a separate glass collection, and nine have fully comingled collections.

In addition, SCC has responsibility for the management of nine of the eleven authorities' dry recycling. At present, the dry recycling managed by SCC goes to one of four material recovery facilities operated by third parties (Grundons, Viridor and Biffa). Once the material has been separated at the plant, the resources are sent for secondary reprocessing to several facilities in the UK and abroad, depending on the material type. The cost of processing this material at a material recovery facility is offset with income from the sale of materials post processing. Any combined fee of less than £40 per tonne is shared with the relevant WCA.

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Figure 1 – Waste Tonnage managed, 2019/20



In 2019/20, 107,000 tonnes of **garden waste** were collected at the kerbside or at our CRCs. All WCAs offer an optional chargeable garden waste collection service. All garden waste is composted in the South East. The average gate fee for this is £36 per tonne (including haulage) and is paid by SCC.

Finally, ten WCAs collect **residual waste** fortnightly with one collecting residual waste weekly. A total of 225,000 tonnes was treated in 2019/20. Of this total, 86% was sent to third parties for energy recovery; this waste is treated at Energy from Waste (EfW) facilities in Kent, Slough and in Holland. The remaining 14% was sent to third party owned landfills; this waste mainly comprises bulky non-recyclable waste such as mattresses and furniture which is not suitable for EfW. This equates to, only 6.4% of the total waste managed in Surrey. Landfill is also used during periods when insufficient EfW capacity is

the total waste managed in Surrey. Landfill is also used during periods when insufficient EfW capacity is

available such as during routine maintenance shutdowns and breakdowns. The average gate fee for residual waste is £127 per tonne, including haulage, all of which is paid by SCC.

The total current budget for SCCs waste service is £68mn.

3.3. Current and future business needs

SCCs contract for waste management services is coming to an end in 2024. The current contract is fully integrated, and SCC are significantly reliant on third party contractors for the transport and treatment of this waste. The fixed assets in the form of the 5 waste transfer stations and 15 community recycling centres plus the Eco Park processing facilities (if accepted) will revert to SCC's ownership at the end of the current contract.

In addition to this existing infrastructure, there are currently plans to provide a new transfer station and community recycling centre to replace the existing site at Slyfield. Due to capacity constraints, our current provider SUEZ is using two commercial transfer stations and a local authority bulking facility to supplement bulking capacity. These assets are not owned by SCC and would not transfer to SCC at the end of the contract.

All of these existing services for haulage, bulking, and treatment will be required into the future, and therefore, consideration must be given now (as part of the RWP) to the options available for these services, in particular to whether or not SCC need to consider building additional infrastructure to manage or process Surrey's waste.

As part of the RWP, the opportunities for collaboration will be explored. Splitting up the arrangements into several discrete work packages will allow different options to be explored for operating each of the services. Flexibility will need to be maintained to respond and meet the challenges of the RWS.

4. Potential business scope

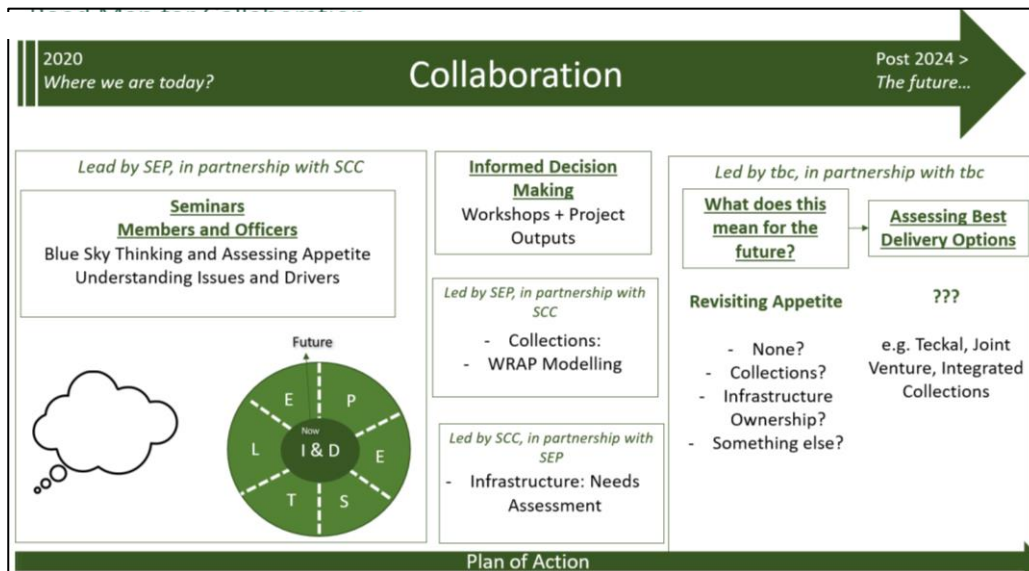
The RWP will include examination of all aspects of Surrey's current waste management needs as well as future needs from 2024 and beyond to ensure that the new arrangements or contracts procured are future proofed and meet the requirements set out in the RWS for England. It will also consider the need for new collection infrastructure and where necessary, provision of new waste treatment infrastructure.

The programme will include not only the commissioning of new services, but also a number of key projects including seeking to reduce contamination in materials collected from households, improving the capture of food waste and delivering savings by reducing abuse of Community Recycling Centres (CRCs) by commercial users posing as residents.

The services commissioned through the RWP will achieve the ambition for the programme described in Section 3.1. The Programme Board for the RWP have determined that the formation of a joint collection and disposal authority currently falls outside of the scope of the programme, but this can be re-visited if circumstances dictate that it would be beneficial to SCC. The scope of the individual projects within the programme will be defined as the programme progresses, although those currently underway are outlined in Section 6.1.

The programme will seek to explore opportunities for collaboration with our partners in order to maximise the benefits of the programme. The programme's road map for collaboration is shown in **Figure 2**. Initial workshops have been undertaken with both SCC and SEP members to kick off the process. Further work and engagement will occur as the programme and intelligence develops.

Figure 2 – Road Map for Collaboration



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5. Potential risks, constraints and dependencies

5.1. Main risks

The key risks are identified as:

- **National Policy** – The risk exists that evolving national policy will change which could impact substantially on the programme.
- **Public Engagement** – Poor engagement with the public around waste reduction and improved resource recovery could impact on the achievement of the desired outcomes of the programme.
- **Partner Engagement** – Poor engagement with partners could lead to collection of erroneous baseline data and sub-optimal achievement of the desired outcomes of the programme.
- **Specification** – Poor collection of baseline data or poor drafting of the specification could lead to the commissioning of services and infrastructure which fail to deliver the outcomes and ambition of the programme.
- **Resourcing** – If insufficient resources are put in place, the programme could be delayed and / or the benefits of the programme may not be fully realised
- **Collaboration** – Lack of engagement on collaboration could result efficiencies in the Surrey waste system not being realised.
- **Baseline Data** – If insufficient or erroneous data is gathered on waste collections, modelling of future waste management demand will be incorrect. This could impact severely on the cost of new waste management arrangements for Surrey.
- **Timescales** – The re-procurement programme timeframe is currently believed to be sufficient. However, if risks and issues are inadequately managed the programme could over-run.
- **Suez Contract** - Termination of the current contract with Suez before the contract end date of 19th September 2024 could divert resources away from the rethinking waste programme with potentially severe consequences.
- **Brexit Risk** – Initial indications are that the impact of Brexit on the rethinking waste programme will be minimal.

5.2. Main constraints

The main constraints are:

- New arrangements for the treatment and disposal of waste must be in place by September 2024 in order that Surrey can continue to discharge its statutory duties as the WDA.
- The programme must deliver the means by which Surrey achieves the outcomes defined within the RWS for England relevant to a WDA. These include stopping food waste from being landfilled, greater recycling and the creation of zero avoidable waste by 2050.
- The programme will contribute to the achievement of targets for carbon reduction set out in Surrey's Climate Change Strategy.
- The programme must deliver the outcomes defined in Section 4 within a budget of £1.5M, plus infrastructure development costs of up to £40M.

5.3. Main dependencies

The principal dependencies identified in the analyse phase, are:

- The Surrey Waste Local Plan 2019 – 2033 will have an impact on the development of waste infrastructure as it will define the planning framework for such infrastructure.
- Key elements of the delivery of the outcomes of the RWP rest with SEP, and therefore are outside of SCC's direct control and dependent on district and borough collaboration
- Inter-dependencies and common aims exist between the Climate Change programme and the rethinking waste programme, particularly around carbon reduction.
- Inter-dependencies may exist between the Council's Being more entrepreneurial programme and the RWP, particularly around infrastructure and related operating models.
- The RWP will need to deliver to the objectives and requirements set out in the Government's Resource and Waste Strategy (RWS). The Environment Bill is currently in the report stage. The Government have announced a six-month delay and its objectives may change which in turn may impact on the waste Surrey treats and the way in which waste is treated.
- The Basel Convention will impact on how plastic waste is managed within Surrey.

6. Proposed management and approach

6.1. Proposed management

- The RWP is a transformation programme and will be delivered by the SCC Transformation Support Unit (TSU) Place Portfolio team working with the Environment Division of the Environment Transport and Infrastructure (ETI) Directorate.
- The programme is managed by two programme managers employed within the TSU, one focussing on the re-procurement aspects and the other on behavioural change and specialist technical waste industry aspects. A programme board is in place chaired by the Executive Director for ETI. The board is comprised of a DEFRA representative, Environment Director, a Subject Matter Expert, Environment Delivery Group Manager, TSU Portfolio Lead, the Council's Section 151 Officer and two senior representatives from SCC's corporate procurement team. Both Programme Managers attend these meetings.
- The programme will be comprised of several discrete projects. The following workstreams have been identified to date:
 - Procurement Preparation – review of Suez Contract, high level planning, comms plan Initial stakeholder identification and analysis etc.
 - Infrastructure needs analysis – current facilities, current needs, future need, future provision etc
 - Stakeholder engagement – industry, SEP, SCC members etc.
 - Collection modelling – current and future demand in the context of the Resources and Waste Strategy for England

- Legal Review – review of all waste related or other relevant legislation
- Installation of Automatic Number Plate Recognition (ANPR) cameras at CRCs sites to address misuse by trade users
- Food waste – improving food waste capture from flats
- Reduction of contamination in dry mixed recycling
- Carbon reduction
- Circular Economy Initiatives including re-use and repair
- Waste Reduction
- Re-procurement of services for 2024

Characteristic	Indicate all that apply
<i>Clear links to the strategic objectives and outcomes in the 2030 Vision and the SCC Organisation Strategy</i>	Y
<i>Time bound with defined start and end</i>	Y
<i>Relates to issues and/or opportunities that go across organisational boundaries (within SCC and beyond)</i>	Y
<i>Relates to the design/development of new service models</i>	Y
<i>Sets out to achieve a significant step change</i>	Y
<i>Contributes to MTFs savings</i>	Y
<i>High political sensitivity/ High risk profile</i>	Y
<i>Requires oversight and assurance at an organisational wide / system wide level</i>	Y
<i>Requires additional resources and investment</i>	Y

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6.2. Proposed activities, resources and required investment

The proposed activities and timescales are set out in **Table 3**. Two FTE Programme Managers have been employed to deliver the programme and their costs are included within the budget profile shown in Section 6.4. Additional external consultancy advice will be required. However, the extent of this advice and its precise nature have yet to be fully determined. Indicative resource requirements are shown in Table 4.

Table 3 – Approach to the RWP

Analyse Sept 2020 to April 2021	Plan April 2021 to July 2022	Do July 2022 to Sept 2024	Review On-going throughout
Review of Suez Contract	Engagement with Ds &Bs, WDAs, etc on collaboration and waste resource management opportunities	Approval of Outline Business Case (OBC)	On-going review throughout commissioning
Identification and analysis of stakeholders and development of a stakeholder communications plan	Confirm resources needed and develop a detailed resource plan including the commissioning of specialist consultancy advice	Draft Contract Documentation	Review of commissioning process
Initial engagement with stakeholders (Districts and Boroughs, DEFRA, neighbouring WDAs, SCC stakeholders etc.) on collaboration and management of waste resources	Define Opportunities for Collaboration with Districts and Boroughs to deliver efficiencies	Draft Specifications (This work can commence during the Plan phase)	On-going review throughout service delivery
Identification of initial risks and Issues including impact of Eco Park negotiations. Draft risk and issues plan	Define Material Management Options including the operation of CRCs, transfer stations, waste haulage, the operation of the Eco Park and infrastructure development	Implement Collaboration Arrangements identified and agreed in previous phase	Review on conclusion of Contract

Analyse Sept 2020 to April 2021	Plan April 2021 to July 2022	Do July 2022 to Sept 2024	Review On-going throughout
Waste Modelling to determine baseline collection data and the most efficient mix of dry mixed recycling in future, considering the national strategic context	On-going risk identification and management	Tender Process	
Review of national and local government policy in waste and environment agendas to confirm the context in which waste will be managed in future	Define dependencies and Document the Commissioning Strategy	Approval of Full Business Case	
Define resources needed – Develop a draft resource plan including the commissioning of specialist consultancy advice	Define Procurement Route	Award of new contract(s) for management of waste resources	
Review of current market	Refine SCC Policy to reflect national picture if necessary	Mobilise & Close current Suez contract	

Table 4 – Resources

Service	Why are they required?	Quantify the requirement (FTE)	When are they required?
Operational staff	Operational input into discussions, feedback and decision-making impact	Ad hoc	Duration of the programme
Communications	Public engagement on food waste reduction, contamination reduction, ANPR and other public facing elements of the programme	Ad hoc depending on phase of projects	Duration of the programme
Finance	Finance business partnering for budget monitoring and planning	Monthly reviews	Duration of the programme
HR&OD	Possibly for potential TUPE transfers (if required)	TBC	TBC
IT&D	Possible development of a booking system for CRCs. Integration of ANPR with SCC's van permits system. Scoping and development of digital initiatives	TBC 10 days development work in Q4 2020 / 21 on van permit integration	TBC
Internal Audit	N/A	N/A	N/A
Legal	Development of contract documentation	Substantial involvement	From May 2021 to September 2023
Procurement	Development of contract documentation and specifications. Advice on procurement route. Assistance with competitive dialogue sessions if this route is adopted	Ad hoc but substantial	Duration of the programme
External Consultancy	Waste treatment options, Infrastructure design and development, engagement etc	Substantial Involvement	Duration of the programme from April 2021
Solutions & Design	N/A	N/A	N/A

6.3. Estimated costs and investment

<i>Transformation Portfolio</i>	Place
<i>Preliminary programme/project name</i>	Rethinking Waste
<i>Anticipated resources requirement</i>	2 FTE Programme Managers. Specialist external advisors
<i>Estimated costs £</i>	£1.6M plus Infrastructure
<i>Anticipated investment requirement £</i>	£20M - £40M (Infrastructure)
<i>Anticipated procurement route</i>	Competitive Dialogue for 2024 contract
<i>Agreed type of Business Case:</i>	Initial Business Case March (IBC) 2021; Outline Business Case (OBC) March 2022; Full Business Case (FBC) July 2023

6.4. Budget & Efficiencies Profile

Revenue

Item	21/22	22/23	23/24
Transformation			
Staff costs (Alan, Jade & Bus Improvement Officer)	£196,044	£196,044	£196,044
Professional Fees (Re-procurement)	£100,000	£100,000	£500,000
Behaviour Change Campaigns/Pilots	£50,000	£50,000	£50,000
Feasibility Fund			
MRF Business Case	£100,000		
Additional collections modelling	£50,000		
Waste Budget			
Ad hoc consultancy	Unknown		
MTFS Efficiencies			
Increased capture of food waste at flats through new provision	£-107,000	£0	£0
Revise recycling credit payment agreements	£-150,000	£0	£0
Reduce CRC trade waste through ANPR	£-70,000	£0	£0
Growth in reuse shop income	£-50,000	£0	£-50,000
Increased capture of food waste at flats by improving existing provision	£-40,000	£0	£0
Increase food waste capture at households by increased participation	£-126,000	£0	£0
Reduce contamination levels in DMR	£-55,000	£-245,000	£0
Improve capture of DMR at Flats	£-63,000	£0	£0
Reduction in partnership contributions	£-200,000	£0	£0
Reduction in specialist external support costs	£-100,000	£0	£0

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Capital

Infrastructure Pipeline	21/22	22/23	23/24
Slyfield Redevelopment			£12,500,000
MRF – Trumps Farm			£20,000,000

Please note, these are indicative of the costs identified during the Analyse Phase of the programme and will be updated as the programme develops.

7. Decision making and approval

Approval to explore further and proceeding to expend time and resources in the next phase:

<i>Programme / Project representative</i>	
<i>TSU representative</i>	
<i>Accountable Executive</i>	
<i>Date</i>	

8. Next steps

- Engagement with SEP stakeholders on collaboration
- Commence detailed engagement with corporate procurement
- Complete waste modelling
- Complete infrastructure needs assessment
- Initial market engagement
- Complete initial review of legislation and policy
- Plan decoupling from Suez
- Commission options appraisal consultancy to examine waste treatment options
- Infrastructure business case
- Firm up initial resource plan