

Annex 1

Re-thinking Waste consultation

SEP Officers' Group

4 June 2020

1. Summary

- 1.1 SCC has started the process of re-commissioning its waste disposal service early by consulting with all the District and Borough Councils in the County. The information gathered from this consultation has been brought to share with the SEP for further discussion. Once finalised, the conclusions will then be used to inform SCC's waste commissioning strategy to facilitate service improvements.

2. Background

- 2.1 Surrey County Council (SCC) has started to consider how it will manage its waste disposal function when the current contract with Suez comes to an end in September 2024. SCC is developing a commissioning strategy to inform the procurement process and core to this strategy will be to understand the appetite for closer joint working between SCC and the district and borough councils through the Surrey Environment Partnership. In addition SCC will need to understand the ambitions of districts and boroughs with regard to their collection services and in particular how they think they will be affected by the measures proposed in the Government's emerging Resource and Waste Strategy. Lastly SCC needs to understand the requirements for any future infrastructure to deal with waste in Surrey.
- 2.2 During January-March 2020 SCC undertook a series of meetings with key officers and members in the districts and boroughs and with Joint Waste Solutions / Surrey Environment Partnership (SEP) to sound out their thoughts and concerns on the following issues:
- 2.3
- Issues and opportunities for closer joint working between SCC and the districts and boroughs and the role of the SEP - building on experiences and models of joint working elsewhere in the country. Testing these models with partner authorities.
 - Current arrangements for collection including the term and degree of flexibility of existing contracting arrangements or fleet services.
 - Aspirations for future collection arrangements and consideration on how these might be affected by the emerging Resource and Waste strategy.
 - Views on the current services and infrastructure provided by SCC (CRCs and Waste Transfer Stations) and what new services or infrastructure would be required in the future.
 - Commercial opportunities, particularly those arising from the development of infrastructure such as for bulking and processing material arising from deposit return or extended producer responsibility obligations. Including potential models of delivery with and without the private sector.

- 2.4 All of this requires close working and coordination with the SEP, who are already starting to look at these issues, particularly those relating to the potential impact of the government's Resource and Waste Strategy on waste collection systems.
- 2.5 The information gathered from this 'discovery' phase has been brought together into this report to share with members of the SEP for further discussion. Once finalised, the report will then be used to inform SCC's waste commissioning strategy.

3. Findings

- 3.1 The main points from this 'discovery phase' are:
- 3.2
- The next phase of Government consultations on Consistency, the Deposit Return Scheme and Extended Producer Responsibility will determine the collection strategies.
 - Waste Transfer Stations in general, and Slyfield Guildford, in particular, are critical waste infrastructure.
 - Increasing WTS opening hours could facilitate different collection patterns.
 - The SCC proposal for a new MRF/WTS/ bulking facility is supported.
 - The financial risk to WCAs of any transfer of the WDA statutory duties is a significant area of concern.
 - WCAs support being involved in the SCC Disposal contract procurement.
 - There are commercial opportunities around Trade Waste and Depot based bulking and transfer for the Deposit Return Scheme.
 - The preferred time to implement any collection changes will be at the end/renewal point of existing arrangements.

4. Aspirations for future collection arrangements

- 4.1 Most Councils are awaiting the next phase of Government consultations on Consistency, the Deposit Return Scheme and Extended Producer Responsibility. However, one WCA is planning to restrict residual waste collection capacity.

5. Views on current and new infrastructure

- 5.1 Waste Transfer Stations (WTS) are a key interface between the WDA and WCAs, and the reduction of queueing times, and travel distances are very important, having a significant impact on collection round efficiency in terms of lost time and cost. Slyfield, Guildford WTS is recognised as being at the edge of its operational limits.
- 5.2 In addition, increasing WTS opening hours to facilitate different collection patterns, including two shifts or four long days, as well as bank holiday periods, provides opportunities for new ways of working.
- 5.3 The SCC proposal for a new MRF/WTS/ bulking facility was generally supported, but it was also recognised that operating a MRF and accessing national and global markets presented their own challenges. A full site options appraisal will need to be conducted but two sites were proposed: Randals Road, Leatherhead and Trumps Farm, Longcross.
- 5.4 Community Recycling Centres (CRCs), especially the re-use shops, were praised, new sites supported and closures were understood, but opposed.

6. Opportunities for closer joint working

- 6.1 The joint work undertaken by JWS for the SEP was recognised and praised, especially around communications, flats and the use of targeted data.
- 6.2 The support of the Surrey Chief Executives group for closer joint working was recognised as essential.
- 6.3 The financial risk to WCAs of any transfer of the WDA statutory duties was a significant area of concern. Whilst there is no increase in risk to the Surrey Taxpayer, the scale of the WDA budget is much greater than a WCA budget. This is especially the case for disposal and treatment, but less so for CRC and Transfer operations.
- 6.4 The Financial Arrangements between the WDA, WCAs and the SEP are due for review in 2020/21. It was noted that the variable payments do not provide much incentive and the material profit sharing has been overtaken by global market costs.
- 6.5 There was support for the WCAs to be involved in the SCC disposal procurement, and recognition that how this was structured would affect future opportunities for closer joint working.

7. Commercial opportunities

- 7.1 The commercial opportunities around Trade Waste were clearly recognised, with examples of best practice in Surrey, as were the opportunities for Depot based bulking and transfer for the Deposit Return Scheme. A number of WCAs were considering establishing Local Authority Companies.

8. Current arrangements for waste collection

- 8.1 The core fleet, containers, and factors affecting flexibility are summarised below in Table 1.
- 8.2 The factors affecting flexibility include whether a service is in-house or contracted out, whether the fleet is owned/leased and the dates when these arrangements expire or renew. From a cost point of view the preferred time to implement any changes will be at the end/renewal point of the existing arrangements.

9. Conclusions

- 9.1 SCC has started the process of re-commissioning its waste disposal service early by consulting with all the District and Borough Councils in the County. The proposed SCC waste commissioning strategy will consider how best to fulfil SCC's statutory obligations as a Waste Disposal Authority more effectively and will set a framework in which to work with partners and districts and boroughs in achieving a more efficient and financially sustainable approach to the management of waste in the county.
- 9.2 Most Councils are awaiting the details of Consistency, the Deposit Return Scheme and Extended Producer Responsibility. However the County Council has to procure new arrangements to replace its Waste PFI contract which expires in 2024. SCC needs to develop its Waste Commissioning Strategy prior to this. Once the implications of the national strategy are confirmed, the Joint Municipal Waste Management Strategy could then be reviewed and updated.

- 9.3 SCC has an essential role to play in developing WTS infrastructure, especially at Slyfield, Guildford and a new MRF/WTS/bulking facility. Increasing WTS opening hours would enable WCAs to re-think their collection arrangements.
- 9.4 Closer involvement of the Surrey Chief Executives group and WCAs in the SCC Disposal procurement is an opportunity to practice closer joint working, and facilitate service improvements.

10. **Recommendations**

- 10.1 SCC develops its Waste Commissioning Strategy prior to its procurement and, in the light of the outcomes from the national Resource and Waste Strategy, the Joint Municipal Waste Management Strategy is reviewed and updated later.
- 10.2 SCC should pursue the improvement of WTS infrastructure, particularly at Slyfield, Guildford and a new MRF, and increase WTS opening hours to facilitate new collection patterns.
- 10.3 SCC should fully involve District and Boroughs in the WDA procurement and the Surrey Chief Executives should be invited to sponsor an element of this.

Table 1. WASTE COLLECTION ARRANGEMENTS – Surrey Waste Collection Authorities March 2020

Current arrangements for collection – Core fleet, containers and flexibility

Waste Collection Authority	Core Fleet	Standard Collection (DMR=Dry Mixed Recycling)	Flexibility
Elmbridge	Single body x9 Narrow body x3 Food x5 Hard to reach x1	180l/240l Residual two weekly 180l/240l DMR two weekly Food caddy weekly 240l garden two weekly chargeable	JWS – Amey Open backed fleet New Fleet August 2017 for 9.5 years
Epsom & Ewell BC	Domestic 70:30 front pod x8 Garden x2 Trade x1	180l/140l Residual weekly 240l DMR (no glass) weekly Glass box weekly Food caddy weekly 240l garden two weekly chargeable	DSO Split body fleet Fleet leased until 2027 Weekly collection Bin and box
Guildford BC	Domestic 70:30 split back x14 Garden x3.5 rounds Trade x4 rounds– mixed of podded and single body RCVs flats x2 Hard to reach x2 4.2t trucks	240l Residual two weekly 240l DMR two weekly Food caddy weekly 240l garden two weekly chargeable Weekly WEEE, Batteries and Textiles In cab data Participation survey 3 yearly	DSO Split body fleet Fleet capital replacement 2020

Mole Valley	Single body x5 Narrow body x3 Mini twin pack x6 Food x2 Hard to reach x1	240l Residual two weekly 240l DMR two weekly Food caddy weekly 240l garden two weekly chargeable	JWS – Amey Open backed fleet New Fleet August 2018 for 9.5 years
Reigate & Banstead	Domestic 70:30 split back x17 Garden x3-4 Trade x2 Flats x2	140l Residual two weekly 140l DMR (no paper) two weekly Paper box weekly Food caddy weekly 240l garden two weekly chargeable	DSO Split body fleet In cab data - Bartec Fleet staged replacement over two financial years 2019/20 to 2020/21 Bin and Box
Runnymede BC	Domestic x6.5 Food x3 Garden x1.2 Trade x0.8	240l Residual two weekly 240l DMR two weekly Food caddy weekly 240l Garden chargeable Flats weekly Residual	DSO Open backed fleet In cab data - Bartec New fleet April 2020 - 7 year replacement Subject to Committee from June 2021: Collect 1 Residual bin only, multiple Recycling Replacement standard 180l Residual bin Flats two weekly Residual/Recycling Expand Trade

Spelthorne	Domestic x7 open back +1 70:30 split back Garden x2 Hard to reach x1 Food, textile, WEEE x3 Trade Nil – setting up new service to include underground bin round	240l Residual two weekly 240l DMR two weekly Food caddy weekly 240l Garden chargeable High rise flats DMR & Residual up to 4 times per week	DSO Open backed fleet Fleet Leased for 6 years until 2023
Surrey Heath	Single body x6 Narrow body x1 Food x3	180l Residual two weekly 180l DMR two weekly Food caddy weekly 240l garden two weekly chargeable	JWS host – Amey New Fleet February 2018 for 9.5 years
Tandridge	Domestic x10 Under-used x1 Bulk flats, schools and banks x1 Garden x2 Narrow access x1	180l Residual two weekly 240l DMR two weekly Food caddy weekly 240l garden two weekly chargeable	Biffa Existing contract 1 year extension to move from manual sack to wheeled bin Existing fleet food Pod New contract(or) commences October 2020 New fleet TBC but likely: Urban rounds separate Food fleet Rural rounds Food Pod or 70:30 split
Waverley	Domestic single body x10 Food x6 Split body x2 Post route optimization: Domestic single body x9 Food x5 Split body x2	240l Residual two weekly 240l DMR two weekly Food caddy weekly 240l garden two weekly chargeable	Biffa 2019 for 8yrs plus two 8yr extensions Single body primary fleet Separate food fleet In cab data

Woking	Single body x7 Narrow body x3 Food x3 Hard to reach x2	240l Residual two weekly 240l DMR two weekly Food caddy weekly 240l garden two weekly chargeable	JWS – Amey New Fleet September 2017 for 9.5 years
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27 April 2020
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