

EXECUTIVE

15th September 2022

Report Title	Waste Management 3 Year Plan (2022-2025)
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Lead Member	Councillor Graham Lawman - Executive Member for Highways, Travel & Assets

Key Decision	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Is the decision eligible for call-in by Scrutiny?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are there public sector equality duty implications?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information (whether in appendices or not)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicable paragraph number/s for exemption from publication under Schedule 12A Local Government Act 1972	

List of Appendices

Appendix A – Waste Management 3 Year Plan (2022-2025)

Appendix B – Equalities Screening Assessment

1. Purpose of Report

- 1.1. This report seeks approval from the Executive for the Waste Service to undertake the action plan within the Waste Management Three Year Plan (2022-2025). This action plan sets out the activities necessary to harmonise the systems designed to manage the increasing waste arisings produced by North Northamptonshire, align with new statutory burdens in respect of provision of recycling opportunities for materials such as food waste, ensure appropriate future provision for facilities such as Household Waste Recycling Centres (HWRC's) engage new contracts and prepare for the direction of future waste services in North Northamptonshire.
- 1.2. This report also seeks approval from the Executive to commence Options Appraisals (set out in the Action Plan) to inform future decisions, particularly in relation to the future of the HWRC service and waste and street cleaning

services in the East Northamptonshire area. The report also recommends commencing the procurement of the Council's future waste disposal contract.

2. Executive Summary

- 2.1. North Northamptonshire Council (NNC) is committed to delivering a high-quality waste collection service. The Waste Management 3-Year Plan sets out the work the service needs to undertake in the next three years to harmonise staff and policies, engage new contracts and understand and prepare for the direction of future waste services in North Northamptonshire.
- 2.2. The Council currently has in place several waste and recycling disposal and processing contracts which require re-tendering in the coming years. It is proposed that the Council commence procurement of the waste disposal contract to ensure it is in place by March 2025. It is also recommended that the Council commences with options appraisals relating to the future provision of Household Waste Recycling Centres (HWRC's) and waste collection and street cleaning in the East Northamptonshire area.

3. Recommendations

- 3.1. It is recommended that the Executive:
 - a) Approve the Waste Management 3-Year Plan (2022-2025), to be the waste services plan attached at Appendix A;
 - b) Authorise options appraisals for the kerbside collection services and street-cleaning services in East Northamptonshire;
 - c) Authorise appraisal of infrastructure and best delivery options for provision of Household Waste Recycling Centres;
 - d) Commence procurement of the Council's future waste disposal contract;
 - e) Delegate to the Executive Member for Highways, Travel and Assets, in consultation with Executive Director for Place & Economy, Executive Director for Finance and the Executive Member for Finance, the authority to take any further decisions and/or actions required in connection with the procurement and award of the waste disposal contract, without the need to return to the Executive.
- 3.2. Reasons for Recommendations:
 - The recommended course of action allows the waste service to undertake projects that will improve the services for the communities of North Northamptonshire in a considered and methodical approach.

- Undertaking the options appraisals, and any subsequent procurements, is the most cost-effective way of ensuring new contracts for the Council's disposal and collection services are fit for purpose and achieving best value.
 - This approach enables the Council to make informed decisions regarding its medium-term financial planning for its Waste Management services.
 - This approach ensures the Council has legally procured and compliant contractors in place for its waste collections and disposal.
- 3.3. Alternative Options Considered: As the Waste Management 3-Year Plan sets out the direction for the waste service, the plan offers transparency to councillors/elected Members and members of the public as to the work the service will carry out in the coming years, identifying opportunities to engage with changes that will enhance our services and delivery. This includes the necessary procurement activities for the disposal and processing of waste and recycling. The alternative option is not having an agreed plan to direct the service development, which is not recommended.
- 3.4. The alternative to procuring a waste disposal contract would be for the Council to enter the waste disposal and processing sector either by building its own facility or developing a commercial relationship with another provider to build a facility on a joint venture basis. It is unlikely that these complex arrangements could be put in place by 2025, which is when the Council needs disposal arrangements in place, and it is therefore not recommended. If the Council wishes to pursue this route, it would be recommended that they develop this option in tandem with a view to implementing it at the end of the initial contract period of the new waste disposal contract.

4. Report Background

- 4.1. Waste Services within North Northamptonshire are made up of collection and disposal services, these were formerly formed of collection services provided by former Borough/District Councils, and disposal services provided by the former County Council. Since becoming Unitary there has been some harmonisation of services and teams, but further work is still required to create one single tier waste service.
- 4.2. The services provide kerbside waste collections for both recyclable and non-recyclable waste to approximately 148,900 households. Per annum, the Council produces 157,960 of household waste, 45.4% of this is sent for recycling or composting with the remainder being sent for treatments that maximise the potential for energy recovery.
- 4.3. The 3-year plan provides a route map of the actions and initiatives proposed for the waste service in order to maintain service standards, respond to growing household numbers, ensure service continuity and compliance with legal regulations, including procurement.

- 4.4. One of the key actions is to procure a new residual waste disposal contract by March 2023. It is recommended that this process begins immediately, and that delegated authority is given to the Executive Member for Highways, Travel & Assets to oversee the procurement process to its conclusion.

5. Issues and Choices

- 5.1. The Council inherited a range of different contracts, service delivery plans, policies, ways of working following local government reorganisation. This has driven the creation of a Waste Management 3-Year Plan to bring together all parts of the service as contracts expire and activities align to create a single waste management team/service. A more co-ordinated and aligned approach is expected to bring service efficiencies, financial benefits, and service improvements for residents.
- 5.2. The Council is required by statute to provide collections and disposal routes for municipal household waste therefore ceasing the services is not an option.
- 5.3. Many major contracts supporting delivery of waste services in North Northamptonshire expire in March 2025. This has led to the inclusion of actions such as options appraisals and consultation to form part of the 3-Year Plan, to enable exploration of alternative systems and processes for delivering waste services prior to undertaking procurement to achieve the best service while also achieving best value. These options appraisals will help to inform the Executive and their decisions about the future of these services.
- 5.4. It is proposed that further reports will be brought to the Executive on the individual projects within the 3-Year Plan where approval is required to implement any changes to service delivery or commence procurement.
- 5.5. The waste industry is set for further change in coming years as the result of the Environment Act 2021 and further guidance is expected to outline the government's expectations and requirements regarding waste collection and disposal. The 3-Year Plan has attempted to pre-empt and accommodate those expected changes but the Government's requirements on some services remain uncertain. As guidance emerges, further reports to Executive are likely to be required and the 3-Year Plan may need to be amended to respond to those requirements.
- 5.6. It is proposed that the Council commence procurement of the waste disposal contract required by March 2025. This is a significant and complex procurement exercise which requires sufficient time to conduct soft market testing, development of the scope and specification, tendering and evaluation, and award of the contract, as well as other steps required to ensure a compliant procurement process. A project team consisting of service leads from waste, legal, procurement and finance will manage this exercise.

- 5.7. The current waste disposal contract began in April 2013 with an initial term of 7 years with options to extend up to 12 years. The full length of that contract will have expired by March 2025 and further extensions are not possible within the contract terms. The annual value of the contract is approximately £10m. Annually, the contract processes 87,000 tonnes of residual waste material. Following engagement with the market and consideration by the project team, a suitable length of the next contract and specification will be determined. The value of the new contract will not be known until the conclusion of the procurement exercise.

6. Next Steps

- 6.1. In accordance with the plan, undertake the 3-Year Plan bringing forward projects, or the results of the options appraisals, to the Executive for consideration as required.
- 6.2. Undertake a compositional analysis of the material being presented in households non-recyclable waste containers to understand the potential yield of recyclable materials still contained within the non-recyclable waste stream. This will enable consideration of best disposal routes for residual waste during procurement of new contracts and inform future communications strategies to capture as much recycling as possible.
- 6.3. Create a project team to oversee the procurement of the waste disposal contract and commence the initial stages of the procurement exercise.
- 6.4. Engage a third party to undertake options appraisals for the waste disposal contract and Household Waste Recycling Centres (HWRCs).
- 6.5. Undertake options appraisals for the delivery of the waste collection and street cleaning services in East Northamptonshire.

7. Implications (including financial implications)

7.1. Resources, Financial and Transformation

- 7.1.1. Delivery of most of projects in the 3-Year Plan will be delivered within the operating budgets of the service, which has a combined budget of £23.5m
- 7.1.2. Undertaking of composition analysis, options appraisals and subsequent procurement may require additional spend, however the service currently has a budget of £115k for consultancy use.
- 7.1.3. Not undertaking the composition analysis and options appraisals may result in the Council procuring the wrong types of contracts for new services which could be more costly for the authority in future years.
- 7.1.4. The Council spends approximately £11.5m annually on the disposal and treatment of waste through the existing waste disposal contract. The value of

the future waste disposal contract will not be known until the conclusion of the tendering and evaluation stages of the procurement exercise.

7.2. Legal and Governance

7.2.1. There are no legal implications arising from agreement of the Waste Management 3-Year Plan (2022-25) as it sets work to be undertaken by the authority over the next three years and does not make any legal or commitments with third parties.

7.2.2. Each project within the plan may have legal and governance implications, as such these will be subject to review with relevant authorised officers throughout the duration of the project.

7.2.3. The Environmental Protection Act 1990 requires local authorities to provide waste collections to households (section 45) and the Waste (England and Wales) Regulations 2011 requires those collections to encompass arrangements to separately collect paper, metal, plastic, and glass as a minimum. The Environment Act 2021 amends these provisions to define recyclable waste as:

- (a) glass;
- (b) metal;
- (c) plastic;
- (d) paper and card;
- (e) food waste
- (f) garden waste.

7.2.4. The Environmental Protection Act 1990, at section 46, allows the Council to specify the size and type of containers in which waste is collected as well as the frequency of those collections.

7.2.5. The Council is permitted to charge for the collection of waste from non-domestic premises under Schedule 1 Section 4 (2) of the Controlled Waste (England and Wales) Regulations 2012. Section 45(3)(b) of the Environmental Protection Act 1990 further provides that any charge must be “reasonable”. The Act does not define “reasonable,” but the usual meaning is that the charges should be comparable with those levied by other authorities and service providers and reflect the costs of delivering the service.

7.2.6. The Environmental Protection Act 1990, at section 51, places a duty on Councils to provide to provide Household Waste Recycling facilities. There is no mention of the number of facilities needed save the requirement for them to be ‘reasonably accessible to persons resident in the area.’

7.2.7. The Public Contracts Regulations 2015 requires contracts for supplies and services more than £189,330 to be tendered in accordance with the regulations by way of a tender process.

7.3. Relevant Policies and Plans

7.3.1 The Waste Management 3-Year Plan sets out activities needed to allow development of harmonised services. Activity undertaken in this service area is supported by the following corporate policies and plans:

- North Northamptonshire Corporate Plan
- Highways & Waste Service Plan (2021/22)
- North Northamptonshire Waste & Recycling Policy
- Street Cleansing Policies
- Litter and Fly tipping strategy
- Enforcement Policy for Waste Crime

7.4. Risk

7.4.1. Loss of recycling processing and disposal facilities has been identified as a key risk for the waste management service and has been included in the service risk register. All the activities contained within the plan are controls to mitigate this risk.

7.4.2. There is a risk that any new contract may be more expensive per tonne than the existing arrangements. This can only be determined by carrying out a procurement exercise. Even if it is more expensive than the current arrangements, it will be the most cost-effective option that the Council can achieve through the legally compliant procurement route.

7.5. Consultation

7.5.1. No consultation has been undertaken at this stage as the activities contained within the plan are mandatory due to the requirements under Public Contracts Regulations or as part of the Statutory duties laid out under the Environmental Protection Act 1990.

7.5.2. One of the activities contained within this plan is to complete consultation on a range of matters pertaining to the provision of waste services beyond 2025 to inform the decisions required by the Council to ensure its future service needs are met.

7.6. Consideration by Executive Advisory Panel

7.6.1. The 3-Year Plan was considered by the Climate Change Environment & Growth Executive Advisory Panel (EAP) on 31st August 2022.

7.6.2. In respect of the 3-Year Plan, EAP expressed interest in the work ahead for the service but no material changes were required to the 3-Year Plan

7.7. **Consideration by Scrutiny**

7.7.1. The Waste Management 3-Year Plan has not been subject to formal scrutiny but could be included in the future Forward Plan.

7.8. **Equality Implications**

7.8.1. An Equalities Screening Assessment (ESA) has been completed indicating no need at this stage for an Equalities Impact Assessment (EqIA). The ESA is attached at **Appendix B**. There are no negative impacts on any of the protected groups owing to the recommendations of this report.

7.8.2. Some of the specific project and activities contained within the 3 Year Plan will require separate ESA and EqIAs to assess any equalities implications. These will be completed as detailed project plans are made for each activity. It may be necessary to provide more detailed action plans for any identified negative impact following those assessments.

7.9. **Climate Impact**

7.9.1. The Council, having declared a climate change and environment emergency in June 2021, is committed to reducing its climate impact both within its own Council buildings and in working with businesses and the wider community to achieve net zero energy emissions.

7.9.2. By ensuring the Council has appropriate contracts in place for its obligations for the treatment and disposal of the various waste streams, it can continue to promote and encourage the separate collection and treatment of recyclable material. This approach seeks to reduce the environmental impact of waste disposal. In addition, by virtue of the contract arrangements the Council can monitor the impacts of managing the material to ensure that it is ethically and environmentally managed in accordance with Waste Management legislation and aligns with the Council's strategy in terms of Climate Change.

7.10. **Community Impact**

7.10.1. The waste management service is highly valued by residents and most residents wish to increase the total amount of material recycled from households by utilising the full range of recycling opportunities available to them. By putting in place a contract, and the other activities contained within the 3-Year Plan, NNC can encourage and promote recycling, which provides all communities with the associated environmental and societal benefits.

7.11. **Crime and Disorder Impact**

7.11.1. By delivering the 3-Year Plan we will be ensuring we have appropriate disposal routes for waste. As such we will be tackling illegal waste disposal and associated anti-social activities therefore mitigating crime and disorder offences associated with illegal waste disposal.

8. **Background Papers**

8.1. None