

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No. 10

meeting date: TUESDAY 18TH JANUARY 2011
title: DELIVERY OF WASTE STREAMS TO PFI WASTE TECHNOLOGY PARKS
submitted by: JOHN C HEAP - DIRECTOR OF COMMUNITY SERVICES
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1. PURPOSE

- 1.1 To further update Members on the delivery of our waste streams to the PFI Waste Technology Parks, and future arrangements for the collection of mixed paper and cardboard.
- 1.2 **Relevance to the Council's aims and ambitions:**
 - Mission Statement & Vision shared by Local Strategic Partnership
An area with an exceptional environment and quality of life for all; sustained by vital and vibrant market towns and villages acting as thriving service centres meeting the needs of residents, businesses and visitors.
 - Council Objectives
 - We aim to be a well-managed Council providing efficient services based on identified customer needs.
 - Ensure access to services is available to all.
 - Treat everyone equally.
 - Council Priorities - None.

2. BACKGROUND

- 2.1 In recent years a number of reports have been presented to this Committee regarding the County Council's PFI waste project and the future waste disposal/treatment arrangements that would arise from that initiative. On 12th January 2010 a more detailed report was presented to Committee on this matter that set out a number of options for consideration and the estimated financial implications for the Council of each of them. As a result Members resolved to follow a particular course of action, which would give a net saving to the Council of £188k.
- 2.2 Since that decision was taken we continued our discussions and negotiations with the County Council as to the effect it will have on their arrangements and the way we deliver our services. This led to the intervention of the leading Members and Chief Officers from both authorities.
- 2.3 It was reported to Committee on 7th September 2010 that in line with the option selected by this Committee, residual, co-mingled glass, cans and plastic and green waste was now being collected from our Waste Transfer Station by a haulage contractor employed by the County Council's PFI partner and taken to their new facilities.
- 2.4 Earlier decisions had approved the continued recovery of mixed paper and card under present arrangements and although pre-tender preparations for re-letting the contract for paper and card had been made, we had

experienced difficulties with the County Council in resolving our financial and operational differences. The tender process had therefore been temporarily put on hold.

2.5 .A further update was presented in a report to Committee on 2nd November 2010 outlining the outstanding issues under the following categories;

- Bulk haulage arrangements;
- Collection of mixed paper and card from our Waste Transfer Station, and;
- Financial arrangements.

2.6 Members were advised that a consequence of a nil recycling credit value for paper and card only would cost the Council more than £103,000 per annum if current arrangements remain in place. Additionally if we were forced to make new arrangements for the collection of paper and card then this cost would be considerably higher

3. ISSUES

An update on the outstanding issues is covered under the following categories;

3.1 Bulk Haulage

Site induction training has now been provided to 25 drivers employed by the County Councils PFI haulage contractor leading to an overall improvement in service delivery from our Waste Transfer Station.

We have also resolved the issue relating to the provision of an adequate number of trailers required to remove all residual waste from our Waste Transfer Station and the end of each working day. This has resulted in returning the building back to the high standard of cleanliness under which we have always performed.

Colleagues at LCC – and we – are disappointed that the electronic recording system being developed by the County Council that will eventually allow immediate access to information on weights of material loads is still not available. This is leading to significant delays in receiving statistical information from the County Council in order to produce our recycling/waste management performance monitoring returns and claim recycling credit payments. We understand that County Council officers are working to get the system up and running.

3.2 Collection of mixed paper and card from our Waste Transfer Station

There have been no further discussions with the County Council on this issue although the matter has since been over ridden by the recent offer from County that we continue with our current arrangements for paper and card during 2011/2012 subject to agreeing their terms.

3.3 Financial arrangements

Whilst the County Council has extended the period for our current arrangements for paper and card to continue, we are advised that they will incur penalties by agreeing this. Consequently there will be a reduction in the recycling credit payment of £13.16 for paper and card only, which based on previous years tonnages is expected to result in a deduction of £30,000 per annum. This offer is for the financial year 2011/2012 and will be subject to a review in September 2011. This early review is supposedly to enable us jointly to agree a rate of payment for future years and/or allow this Council sufficient time to procure alternative collection services should this be necessary.

The Director of Community Services has sent written confirmation accepting the terms and conditions offered although we had hoped for a longer term commitment to extend current arrangements.

4. **RISK ASSESSMENT**

The approval of this report may have the following implications:

- **Resources**

The projected saving of £188,000 arises from the new arrangements whereby the Council is not responsible for transport costs of the three main waste streams. Calculations were based on the assumption that the collection arrangements for paper and card remain unchanged. Members should be aware that the cost of the current waste paper and cardboard collection contract is covered through recycling credit payments and income from the sale of the material providing a breakeven service to the Council and taxpayers of Ribble Valley. A reduction in the recycling credit value for paper and card only, will probably cost the Council the maximum £30,000 per annum and reduce the overall annual savings from £188,000 to £158,000 for 2011/2012 only.

- **Technical, Environmental & Legal**

There are no specific technical, environmental or legal issues arising directly out of the report at this stage.
However the issues where agreement has not been reached are technical, environmental and legal in nature.

- **Political** - There are no specific political issues arising out of this report.

- **Reputation**

There are no risks to the Council's reputation as a direct result of this report.

5. **CONCLUSION**

- 5.1 The agreement with the County Council to reduce the recycling credit rate for paper and cardboard will reduce the overall savings made for one year, from the original calculated figure. However the concession made by the County Council to extend the existing arrangements has been very helpful in relation to the Council's overall financial position.
- 5.2 The operational problems that may have been viewed as `teething problems` of the bulk haulage arrangements appear to have been addressed. This has allowed us to revert to our previous high standards of cleanliness in the transfer station.
- 5.3 The County Council appear to have recognised the significance to the Council of this arrangement and they are aware that we hope for a continuation in the longer term.

JOHN C HEAP
DIRECTOR OF COMMUNITY SERVICES

Background Papers – Waste Management Files
For further information please contact Peter McGeorge 01200 414467