

EAST DEVON DISTRICT COUNCIL

Minutes of the meeting of Recycling and Waste Partnership Board held at Online via zoom on 26 January 2022

Attendance list at end of document

The meeting started at 9.00 am and ended at 10.52 am

28 Minutes of the previous meeting

The minutes of the previous consultative meeting held on 8 December 2021 were received and noted.

29 Declarations of interest

Declarations of interest.

Councillor Denise Bickley, Personal, Chair of Sidmouth Plastic Warriors.

Declarations of interest.

Councillor Geoff Jung, Personal, Ward member for Woodbury and Lymptone, which included Greendale Business Park..

30 Matters arising

There were no matters arising.

31 Joint quarterly operational contract report

The Recycling and Waste Manager and the SUEZ Contract Manager gave the Board a joint report on a contract and operational update for the period October - December 2021. Overall operations had progressed well despite the pressures of pandemic working and the on-going difficulties of staff shortages and recruitment. Participation rates had remained high and the overall quality of the materials had been maintained, which meant it had been possible to maximise the financial benefit of buoyant materials prices. The green waste service suspension period passed with no customer comments – indicating that the longer term subscribers understood how the service operated.

The SUEZ Contract Manager reported that operational performance had improved. Following the introduction of a more robust supervisory team led by a new assistant manager, the rounds had stabilised as the lesser performing crews had improved performance and more time could be spent on areas of concern. Crew behaviours had improved, with contractor complaints falling below the contract performance framework targets for December. Missed collections had also continued to decline and fell within the thresholds for contract performance. The Board commented that the increase in performance was a testament to the work of SUEZ and a member reported that praise for the service had been given at three town and parish council meetings he had recently attended. It was noted that the milestone of six million individual collections had been passed and this had been widely publicised.

The Board were informed that during the recent Overview and Scrutiny Joint Committee budget setting discussions councillors had questioned what could be levied in terms of contract penalties and why these had not been imposed. The Service Lead –

Streetscene explained at the joint budget setting meeting that this had been discussed during the Board meetings and that the priority in the contract was partnership working rather than imposing penalties.

The collection service had managed to continue to collect the ongoing increase in waste, collecting 20,000 more tonnes of waste compared to 2020. In 2021 the total amount collected was 481,000 tonnes. Sales revenue continued to rise, with the partnership receiving higher rebates for cardboard than anticipated, as well as a rise in plastic prices. The partnership sold 8,823 tonnes at a value of £1.2million for the year. A request was made for monthly figures to be provided so that the success of the service could be highlighted.

National driver shortages continued and driver recruitment was a steady process, beginning to look more positive. It was noted that SUEZ had two drivers that could not be released to drive until DVLA sent back their licenses. This was a national issue due to back log and home working. The Chair agreed to write to the local MPs about this as Chair of the Devon Authorities Strategic Waste Committee.

The SUEZ team were congratulated on the fantastic management of a potential covid outbreak and the SUEZ Contract Manager outlined the health and safety procedures that were in place.

The East Devon team was complimented on the influence it was having on the ongoing development of the sector at both local and national level:

- Facilitating the trial of food waste collection by Exeter City Council.
- Providing advice and information to Teignbridge District Council on providing a chargeable additional waste collection service.
- Consulting with the Senior Policy Team at DEFRA on the kerb-side collection of WEEE.
- Providing advice to Warwick on the implementation of three weekly waste collections.

32 **Performance framework/penalty calculator**

The Recycling and Waste Contract Manager thanked the Recycling and Waste Assistant for compiling the performance framework/penalty calculator which showed performance across the contract for the Board's review and information. It was noted that performance was improving.

In response to a question about the reduction in the quantities of paper being collected, it was reported that this was a national trend. The pandemic effect had accelerated it, but quantities had now plateaued at a low level.

In response to a question about container deliveries it was reported that there had been a huge increase in container requests in December 2021 and that new properties were prioritised. There was operational flexibility whereby staff could be redeployed if necessary. It was noted that most containers were made from recyclable material and that damaged containers were brought back to the Greendale depot before being transported in bulk to be recycled elsewhere. It was suggested that this positive message be included on the recycling containers.

33 **Bridging solution proposal**

Zoë Harris, SUEZ Senior Bid Manager was introduced and welcomed to the meeting. She was thanked for putting together the business case for the bridging solution. After a

brief recap from the Recycling and Waste Contract Manager the SUEZ Senior Bid Manager presented the bridging solution to the Board. This bridging solution was intended to provide resilience in the short term and bridge the gap until the end of the current contract.

In 2017 there was a major service change which enabled residents to recycle more, with three weekly refuse collections. This had been a great success, with a recycling rate of 60%. This was much higher than predicted in the bid, and resulted in additional resource of 4 additional rounds being agreed with EDDC in 2018. EDDC provided the capital for the recycling vehicles and SUEZ covered the operational costs.

At the start of the contract SUEZ was delivering waste collection services to 68,000 households. There were two tipping points in the contract:

- The first was 70,000 households, which was reached in quarter 1 of 2020 and was linked to a pre-agreed increase in the base monthly payment.
- The second was set at 73,000 households, anticipated to be reached in quarter 3 of 2022 and would trigger the Change in Service procedure of the contract.

Policies in the Environment Act 2021 were under consultation and therefore the outcomes and timescales were not known at this time, but several would have wide ranging effects on recycling and waste collections:

- Consistent collections.
- Extended Producer Responsibility (EPR).
- Deposit Return Schemes (DRS).

These would deliver new funding streams to local authorities.

Over the last two years there had been several key changes that were more significant than allowed for under the terms of the contract. These would be relevant until the end of the contract term:

- Housing growth:
 - Faster than predicted.
 - Concentrated in one area – more than 50% of housing growth was estimated in one area of the district and all fell within the Friday collection zone.
- Waste arisings:
 - Higher overall recycling per household.
 - Double the amount of cardboard per household – resulting in one compartment of the multi compartment vehicles filling faster and requiring the vehicle to return to the transfer station to offload, regardless of the fill level of the other stillages.

These changes had impacted on the delivery of recycling collections in East Devon as the current round structure could not keep up with the increased demand. An additional vehicle tip combined with extra households to collect from pushed crews and support staff into overtime, reduced resilience and would also reduce overall service quality. This had led to an increase in missed/late collections and a reduction in the service quality and reliability. The result of this was residents becoming disincentivised to participate in the recycling service.

The bridging solution, along with the required additional resources was set out in full in the report and it was proposed to deliver it in two phases:

1. Growth zone – mid 2022 - the establishment of a zone covering the three largest housing developments in East Devon. This zone would be serviced by dedicated rounds and decoupled from the current collection day zones. The establishment of a growth zone was directly linked to the operational strain caused by concentrated housing growth.
2. Fully bridging solution – delivery to take place during the first half of 2023 - the addition of rounds to the main fleet servicing the rest of the district. The additional rounds in the full

bridging solution were directly linked to the operational strain caused by the increased recycling presented by households and the increased proportion of this was cardboard.

The SUEZ Senior Bid Manager explained to the Board how this fitted with other options currently being investigated by SUEZ, which were seen as complimentary to the main bridging solution proposal. These included:

- Review of/modification of the Romaquip stillage capacity.
- Electric Romaquip vehicles.
 - Electrical charging infrastructure assessment of Greendale depot.
 - Trial of an electric recycling vehicle in East Devon as well as trialling an electric RCV.
- Large card Romaquip.
- Small Romaquip rather than current narrow access vehicle.

The key risks and mitigations relating to the proposal were:

- Recruitment of additional staff – some staff were already in post and recruitment would take place two phases over 12 months.
- Availability and delivery of vehicles:
 - Engagement with Romaquip.
 - Chassis held for phase 1.
 - Understanding that phases may need to be flexed to vehicle delivery.
- EPR, DRS and consistent collections – avoid procurement at time of legislative uncertainty.

The SUEZ Senior Bid Manager's report included other options considered and demonstrated thorough due diligence:

- No change.
- Using the paper compartment to collect cardboard.
- Cardboard only collections.
- Suspension of cardboard collections.
- Suspend collection of another material.
- Re-install recycling bring banks for cardboard.
- Four-weekly refuse collections.

The Recycling and Waste Contract Manager reassured the Board that due diligence was taking place in regards to the solution (EDDC officer input), finances (detailed financial model and reconciliations) and legal checks (external legal advice sought, including procurement advice).

On behalf of the Board the Chair thanked the SUEZ Senior Bid Manager and the Recycling and Waste Contract Manager for the detailed bridging solution proposals and excellent presentation. The comprehensive report gave confidence going forward and demonstrated alternative options that had been considered before determining a detailed proposal. Reassurance was sought that the full solution would last through until 2026 and that no more major disruptions would be experienced. Officers responded that property growth predictions to 2026 had been used. Any service change was disruptive, but the team was well versed and experienced in dealing with it. The key thing was ensuring refuse and recycling collections were day matched. It was noted that communications to residents were essential and the Board were reassured that EDDC had a great communications plan.

The Board had wider discussion around the trial and usage of electric vehicles, including the capital and running costs/potential savings involved with the fleet. Modelling from the trial would demonstrate how additional cost savings would be absorbed in initial capital

costs, however the biggest benefit would come from carbon reductions and environmental savings. Narrow access vehicles were also discussed.

The bridging solution would be presented to Cabinet in March and then for Council approval in April 2022. It was noted that this would delay the order placing of vehicle orders for SUEZ, but should not delay payments to SUEZ for the growth zone phase in June 2022, if approved. Members were reassured that provision for the best estimate of the bridging solution was included in the draft budget 2022/23.

RECOMMENDED: that the Recycling and Waste Partnership Board recommend that Cabinet recommend the Bridging Solution to Council for approval.

34 **Risk register**

The Recycling and Waste Contract Manager presented the risk register to the Board. Section B5 had been updated to reflect the risk of loss of staff to the covid pandemic. Section Q had been added to take into account changes in legislation and regulation and future implications of the Environment Act. Section V, relating to the green waste service had been changed now that the service was well established and no longer bedding in. It also cut across the Environment Act proposals to include free green waste collections.

The Strategic Lead – Housing, Health and Environment commented that he was reassured by the updated risk register. It was the Council's biggest contract and affected every single household in the district, weekly.

The Recycling and Waste Contract Manager and his team was thanked for the report.

Attendance List

Board Members:

Councillors present:

G Jung (Chair)
D Bickley
E Rylance (Vice-Chair)
T Wright
M Rixson

Officers present:

G Bourton, Recycling and Waste Contract Manager
J Golding, Strategic Lead Housing, Health and Environment
A Hancock, Service Lead StreetScene

Suez present:

J Pike, Regional Director
N Tandy, Principal Commercial Manager
J Gatter, Contract Manager

Councillors also present (for some or all the meeting)

P Faithfull
P Millar

Officers in attendance:

Andrew Hopkins, Communications Consultant
Lou Hodges, Recycling Officer
Alethea Thompson, Democratic Services Officer
John Hudson, Accountant
Steve Maclure, Waste Management Officer

Suez representatives in attendance:

Zoe Harris, Senior Bid Manager
Lily Morton, Recycling Officer

Board Member apologies:

Councillor Geoff Pook

Chair

Date: