

APPENDIX E - FSR SUMMARY: WASTE COLLECTION

Performance and Value for Money

1.0 Introduction

1.1 In support of the current round of FSR's the technical consultancy WYG were engaged in June 2016 to carry out a comprehensive performance and value for money review of our waste and recycling services.

1.2. This focused predominantly on our domestic service but also considered the impact and effectiveness of our Commercial Waste Services and the support provided from our Motor Transport Service.

1.3 Other considerations were a comparison of the extent of our service provision and charging regimes compared to other councils

1.4 The final report was delivered on September 2016 an abridged version of their report is given below

2.0 Findings

2.1 Performance and Cost

2.11 The Council's waste & recycling performance is very high. For collection of dry recyclate we are 2nd in benchmark group and 4th best in group for minimisation of waste

2.12 Our collection costs of £41.25 per household (2015/16) were the best in the WYG database

The Council is a "*low cost, high performer*"

2.13 We are in the top 10% of **all** English authorities for recycling and reuse and WYG commented that this was

"....quite remarkable performance for an urban authority"

2.2 Options for Reducing Costs

2.21 Given that the Council is already a low cost operation, options for reducing costs are limited as might be expected. Expanding the charging regime for bulky items and a review of garden waste charges were considered as part of the annual budget round and as a result some small increases were introduced on the latter.

2.22 As we know establishing our own Waste Transfer Station (WTS) inside the ring road would potentially allow a significant improvement in the contamination rate of recyclate, potentially from 8% down to 2%. This would reduce charges for our recyclate disposal and reduce vulnerability to third party price increases.

2.25 Reducing the frequency of collections would yield little financial benefit with total tonnages collected remaining similar, with residual collection reductions being offset by collection increases in food. Currently few councils have gone down this route and where it has been done there has been adverse public reaction.

2.3 Other Benchmarks

2.31 The motor transport service is a high performer and offers value for money in support of the waste service, other key costs such as container provision benchmark in line with expectations.

2.32 Absenteeism is well managed, the target of less than 8 days is higher than the “best practice” 6 days but reflects the reality of some ailments effecting frontline workers more than office workers.

2.33 Currently there is no opportunity to reduce costs from spitting out paper and or glass from the current DMR service provision.

2.34 The commercial waste service provides excellent support to the domestic service, turnover is exceptional for a council of our size (bigger than many London boroughs) and has “excellent productivity”

2.4 Other Comments

2.41 OCC is fully compliant with TEEP (Technically, Environmentally and Economically Practicable’)

3.0 Summary

3.1 OCC’s has an exceptionally low cost and high performing domestic waste and recycling service. Because of this opportunities for operational cost reductions are very limited and financial improvement opportunities come from varying the way we charge for discretionary services.

3.2 Additionally variation in collection regimes, reduced frequency or changed recyclate mixes are unlikely to offer any meaningful cost savings and could meet resident resistance.

3.3 Proceeding with the WTS inside the ring road will give savings but will also reduce the risk from cost increases currently outside of OCC control.

3.4 Because of the delivery of a great service by a committed and motivated workforce, we have recommended a contract extension by a further 7 years for the in-house team