

Meeting of:	SUBJECT OVERVIEW AND SCRUTINY COMMITTEE 3
Date of Meeting:	19 MARCH 2024
Report Title:	FUTURE WASTE SERVICE OPTIONS
Report Owner / Corporate Director:	CORPORATE DIRECTOR COMMUNITIES
Responsible Officer:	JENNIFER SPARROW – CLEANER STREETS AND WASTE CONTRACT MANAGER
Policy Framework and Procedure Rules:	There is no impact on the policy framework or procedure rules.
Executive Summary:	To share the findings of the commissioned report on future waste options.

1. Purpose of Report

- 1.1 The purpose of the report is to share the findings of the commissioned report from Eunomia on future recycling and waste options from April 2026, following the two-year contract with Plan B Management Solutions which ends 31st March 2026.
- 1.2 It will allow Scrutiny members the opportunity to understand the advantages and disadvantages of three service delivery methods that is:-
- Bring the waste services in-house
 - Transfer the waste collection into Local Authority Trading Company (LATco)
 - Re-procurement of a waste services contract

And for Scrutiny to offer their recommendations, in regard to the above, for the consideration of Cabinet, before any decision is made.

- 1.3 It is important to note that the report will not look at the details of the future service delivery, including items such as frequency of collection or materials collected. This is the next stage of the waste services workflow and will be brought to Scrutiny for discussion and consideration at a date later this year.

2. Background

- 2.1 The council has outsourced its recycling and waste contract to a commercial contractor since 2003. The contract has been renewed every 7 years and the Council has had three contractors fulfil that service. The current outsourced waste contract was awarded to Kier Environmental Services in April 2017. This contract will end at

the end of March 2024 and will be replaced by an interim contract for a period of two years, approved by Cabinet in June 2022. This will be from the 1st of April 2024 to 31st March 2026.

2.2 The reasons for the short-term duration of the interim contract, was twofold: -

- The interim contract would allow time for the development of the Ultra Low Emission Vehicles (ULEV) marketplace and considered future decisions to be made with regards to decarbonisation and the selection of future vehicle technology from 2026.
- The contract would allow time for Welsh Government future recycling targets and linked forthcoming relevant legislation to be published, thus informing service models and, in turn, fleet configuration from 2026.

2.3 Following a procurement exercise, “Plan B Management Solutions” was appointed to provide the interim recycling and waste service from 1st April 2024 to 31st March 2026.

2.4 In order to ensure continuity of service post 2026 when the Plan B contract ends, decisions are required on how the Council will provide the waste service in the future. This may be done via a re-procured service, by bringing the waste services back in-house or the establishment of a Council owned arm’s length company or LATco. This is the subject of this Scrutiny Report. Shortly after that, a decision will also be required on the model of service to be provided, this will determine items such as frequency of collections and the materials to be collected. This is the next stage of the waste services workflow and will be brought to Scrutiny Committee for discussion and consideration at a date later this year.

2.5 Prior to commissioning the Eunomia report, consideration was given as to whether to investigate collaborative working arrangements. However, this was explored at length previously and there was with limited benefit or interest from neighbouring authorities being identified. This is because of no perceived cost savings or efficiencies and the neighbouring local authorities undertaking very different collection methodology. It was decided, therefore, that this would not be included in the Eunomia commission, although this does not preclude this being explored further in the future.

3. Current situation/ proposal

3.1 Eunomia Research & Consulting Ltd (Eunomia) was commissioned by the Council to undertake a detailed qualitative risk assessment and financial modelling of the commissioning options for future waste collection service delivery. The report, included as **Appendix A**, examines the comparative cost and key risks and opportunities associated with each of the future commissioning options.

3.2 The three options were assessed from a financial and qualitative perspective and the findings are detailed in full in the attached report. In summary the report found the following: -

5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives

5.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of well-being goals/objectives, as a result of this report.

6. Climate Change Implications

6.1 There are no Climate Change Implications from this report.

7. Safeguarding and Corporate Parent Implications

7.1 There are no safeguarding or corporate parent implications arising from this report.

8. Financial Implications

8.1 Whilst the report explores financial advantages and disadvantages of the various methods of waste service provision a decision in this regard is not the purpose of this Scrutiny report, therefore there are no direct financial implications.

9. Recommendation

9.1 It is recommended that the Committee consider the contents of the report provided by Eunomia on the three options for delivering the Waste Services post 2026 and provide comments for consideration by Cabinet, prior to any decision being made.

Background documents

- Cabinet Report on interim waste collection services contract 2024 to 2026 – 19th September 2023
- Cabinet Report on recycling and waste service post 2024 – 14th June 2022

