

## SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL

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**REPORT TO:** Waste & Recycling Strategic Review - 2<sup>nd</sup> July 2009  
Task & Finish Group

**AUTHOR/S:** Corporate Manager Health & Environmental Services

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### WASTE & RECYCLING TASK & FINISH GROUP REMIT & OPERATING GUIDELINES

#### Purpose

1. The purpose of this report is to advise on the remit and operating guidelines set for the Waste & Recycling Task & Finish Group including the anticipated timetable.
2. This is not a key decision however recommendations from this group are likely to require key decisions to be made in the future because:
  - it is likely to result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates.
  - it raises new issues of policy, or is made in the course of developing proposals to amend the policy framework, it increases financial commitments (revenue and / or capital) in future years above existing budgetary approvals.
  - it is of such significance to a locality, the Council or the services which it provides that the decision-taker is of the opinion that it should be treated as a key decision.

What these are likely to be are unclear at present and it has not yet been published in the Forward Plan.

#### Background

3. The services under consideration are the twin bin alternate weekly refuse & recycling collections, kerbside box dry recycling collection. Other smaller and ancillary services allied to these will also be included i.e. bulky household waste and clinical waste collections; trade waste collection services. Street cleansing service will be included within the procurement options part of the review. A comprehensive Best Value Review of the service was undertaken the results of which were considered by Members in the summer of 2005. Many of the actions in the approved best value action plan have been or are in the process of being completed.
4. This review included a procurement strategy feasibility study carried out independently by RSM Robson Rhodes. The first stage review, considered whether the Council should include the services within the County Council PFI contract. It concluded that this was not a cost effective proposal for the Council and that the Council should pursue its' own procurement strategy.
5. The street cleansing service was subject to compulsory competitive tender (CCT) following an OJEC advertisement and tender procedure in 1997 and a contract subsequently let to a private contractor. Unfortunately the Council terminated the contract in 1999 following the contractor's failure to perform the service to the required standard.

6. The refuse collection and street cleansing services were then packaged as a single service and subject to CCT following an OJEC advertisement and tender procedure in 1999.
7. The retendered refuse and street cleansing service was won by the Council's in-house direct services organisation (DSO), now the environmental operations section within Health & Environmental Services, and has been operated as a directly managed, rather than contracted out, service since then.
8. The kerbside recycling collection service was introduced following an OJEC advertisement and tender procedure in 2000 for a 5-year contract period extendable by agreement to 2010. The contract was awarded to a private contractor, Cleanaway Ltd (now part of Veolia Environmental Services) and has been extended until October 2010. There is no provision to extend the contract past this date (The DSO did not bid for this contract as it did not want to be exposed to the volatility in the recycling materials markets).
9. The current total direct annual expenditure on the refuse, recycling and street cleansing services under consideration are circa. £4.59M (gross); £3.58M (net).

### **Considerations**

10. The service has significant achievements to its name and has demonstrated a considerable ability to rise to the many external and internal pressures placed upon it. Flexibility of operation has been critical to achieving the successes.
11. This remains a fast changing service with a very high public and political profile. The pace of legislative change shows no signs of abating. This, taken together with the projected growth in development in the area, means that the Council must ensure that the service is best positioned to deal with the challenges of the here and now and importantly those of the future.
12. The expectation of users and customers of the service must be considered. There is a need to explore what the service should look like from October 2010 onwards and how the services should be procured to ensure the service continues to provide Best Value for the Council and its customers.
13. An initial benefits analysis for the review has been undertaken, considered informally by Cabinet members, to identify the results and main (end) benefits that this process should deliver.

### **Remit & Operating Guidelines**

14. The Portfolio Holder for Environmental Services has the responsibility of considering what the service should look like post October 2010 and the procurement strategy to be adopted to achieve the outcomes considered a priority. As formally advised at her last portfolio meeting (18<sup>th</sup> May 2009 refers) she has therefore decided to set up a task & finish group to assist her in this task.
15. The operating guidelines for the group are detailed in the detailed below.

Formal Agenda	Yes
Formal, detailed minutes/notes	Detailed notes
Lead Officer	Corporate Manager- Health & Environmental Services

Action Notes	To be compiled by the Democratic Services Officer in consultation with the lead Officer and reviewed from meeting to meeting. Normally to be made available to the public on request after publication of the report to Cabinet or other decision makers.
Recommendations	Recommendations to the Portfolio Holder will be decided by consensus. There will be no voting. The Portfolio Holder is not obliged to accept the recommendations made.
External / Public involvement	Meetings will not be in public; however stakeholders will be invited to attend and to contribute to the group's work, including co-option to the group if considered appropriate. Public consultation will be an explicit part of the review.
Politically proportionate	No
Composition	Appointed by the Portfolio Holder for Environmental Services from non-executive members with relevant experience / interest. The Portfolio Holder for Environmental services will be a full member of the group. To avoid a conflict of interest Scrutiny members were excluded.
Size	The task and finish group size can vary according to the matter under discussion; however the group core membership will not normally exceed 8.
Remit	As determined by the Portfolio Holder for Environmental Services: - to advise the Portfolio Holder for Environmental Services as to how:  <i>"To obtain the best quality of service that the Council can afford"</i>  Whilst attaining the following benefits and outcomes listed below in priority/ weighted order.  <ul style="list-style-type: none"> <li>• <i>A cost effective &amp; efficient service</i></li> <li>• <i>A high level of customer satisfaction/perception</i></li> <li>• <i>Providing future flexibility to respond to external influences</i></li> <li>• <i>Minimising environmental impact.</i></li> </ul>
Within Scope	<b>Service performance and configuration:</b> The services under consideration are the twin bin alternate weekly refuse & recycling collections, kerbside box dry recycling collection. Other smaller and ancillary services allied to these will also be included where considered appropriate i.e. bulky household waste and clinical waste collections; trade waste collection services <b>Procurement Options:</b> Procurement options for delivery of the services above, including Street cleansing services, to be considered, and evaluated later in this task to include: (a) Provision of services in-house through the Environment Services Operations team. (b) Provision by multiple suppliers - This would involve negotiating and establishing separate contracts with preferred suppliers for the supply of services according

	<p>to the Council's requirements. Suppliers would be contracted as sole or preferred supplier for one or more service areas.</p> <p>(c) Shared service provision through joint venture or limited liability partnership - Several, directly contracted, outsourced suppliers providing services by working together in a joined-up fashion through a Joint Venture or Limited Liability Partnership.</p> <p>(d) A mixed market approach to service provision - This option allows the management of services in the most appropriate and cost effective means. This could be a mix of solutions</p>
Out of Scope	<p><b>Service performance and configuration:</b> Any service not included within scope including Street cleansing services</p> <p><b>Procurement Options:</b> The procurement options appraisal will not include</p> <p>(a) The provision of the services by a single supplier/managing agents, where a single supplier takes responsibility for providing a range of services, managing and co-ordinating the procurement of services from other suppliers. The council contracts with the managed service provider who then maintains contractual relationships with the other suppliers.</p> <p>(b) Joint commissioning</p>
Timetable	<p>Task to begin July 2009 and be completed by end of September 2009.</p> <p>Planned meetings include:</p> <p>(a) 2<sup>nd</sup> July –</p> <ul style="list-style-type: none"> <li>• remit and operating guidelines of task &amp; finish group</li> <li>• Review of refuse and recycling service performance</li> <li>• Customer consultation and engagement</li> </ul> <p>(b) 7<sup>th</sup> August –</p> <ul style="list-style-type: none"> <li>• Configuration options</li> </ul> <p>(c) 10<sup>th</sup> September –</p> <ul style="list-style-type: none"> <li>• Procurement Options</li> </ul> <p>To assist the group in its' task the group will also be required, within this period, to attend site visits and demonstrations as deemed appropriate.</p>

16.

Financial	The portfolio has a small budget available to assist with this task.
Legal	None
Staffing	Within existing
Risk Management	None
Equal Opportunities	The final service decided upon will need to be EQIA.

## Consultations

17. The portfolio holder for environmental services consulted the Leader & Cabinet colleagues, the Conservative group; Leader of the Liberal Democrats group and individual members of the group on the proposal for a Task & Finish Group.

## Effect on Strategic Aims

18.	<b>Commitment to being a listening council, providing first class services accessible to all.</b>
	An explicitly looked for objective within the groups' remit.
	<b>Commitment to ensuring that South Cambridgeshire continues to be a safe and healthy place for all.</b>
	<b>Commitment to making South Cambridgeshire a place in which residents can feel proud to live.</b>
	An explicitly looked for objective within the groups' remit.
	<b>Commitment to assisting provision for local jobs for all.</b>
	Will be a consideration in the review
	<b>Commitment to providing a voice for rural life.</b>
	An explicitly looked for objective within the groups' remit.

## Recommendations

19. The task and finish group notes the remit and operating guidelines set for the group.

**Background Papers:** the following background papers were used in the preparation of this report:

None

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