

Board/Committee	Community Board
Date of Meeting:	7 th July 2021
Title:	Additional Refuse Collection Round
Author:	Head of Streetscene
Status:	FOR DECISION AND RECOMMENDATION TO POLICY AND ORGANISATION BOARD.

Purpose

The purpose of this report is to seek approval for an additional waste collection round and associated increase in budget costs.

Recommendation

1. To approve an additional waste collection round for Gosport and Lee-on-the-Solent as a result of operational requirements as detailed in option 1.
2. That this report is forwarded to the Policy & Organisation Board to approve the additional funding as laid out in this report.

1.0 Background

- 1.1 In 2011 following a full tendering process, Urbaser Ltd were awarded the contract to provide Gosport Borough Council with environmental services including kerbside waste and recycling collections. A five year extension was approved by the Community Board in 2016 to commence on 1st April 2021 and currently runs until 31st March 2026.
- 1.2 At present, the Contractor operates 6 collection rounds across the borough on a daily basis Monday to Friday.
- 1.3 With Gosport seeing an increase in residential dwellings on an average of 130 properties per annum including forthcoming dwellings at the larger sites such as Daedalus and Royal Hospital Haslar waste tonnages are increasing with very little capacity for vehicle breakdowns staff sickness and leave. The contract is increasingly relying on operatives being willing to undertake overtime beyond their contractual hours further complicated by drivers having a legal driving limit of 10 hours. The operative's contractual working hours are 39 hours per week.
- 1.4 As a result of the current situation described in 1.3 the existing waste collection round structure has become unbalanced and as the borough expands with additional properties being built the rounds are

taking longer to complete. This is compounded by the need to tip up to three times a day for some rounds.

1.5 The current operational situation on a residual/domestic collection week is as follows:

- 6 collection rounds out on a daily basis.
- Each vehicle tipping on average 11 tonnes.
- A minimum of 2 incinerator runs per day.
- An average finish time of 5pm.
- Average 1.5 hour turnaround time Gosport to Portsmouth incinerator.

2.0 Report

2.1 As a result of the current operational pressures placed upon the Contractor due to increased housing provision, population, tonnages and hours of work, additional costs have been incurred and timely completion of all rounds has become increasingly difficult to achieve. The following describes the options considered in order to provide a sustainable waste collection service.

Waste Transfer Station:

Officers have considered converting the garage within the Council Depot into a waste transfer station (WTS). If a WTS were possible savings could be made on tipping travel times, fuel, vehicle mileage and maintenance costs. The Contractor has looked into this possibility in depth. However, considering the following factors it was felt this option was not viable at this time.

- Unknown life-span of the depot.
- Length of time to make an application to the Environmental agency for the relevant permits.
- The garage equipment and modifications required.
- A requirement to appoint an experienced consultant.

A WTS would manage the current situation removing the need for an additional round. However for the reasons highlighted above this proved impossible so the following options are to be considered.

The following table gives a view of the current situation of additional costs being calculated over a 6 month period in 2020.

2.2 Current situation

Overtime Cost (Refuse only)	£2,759 per month
Cost of Fuel carrying out Overtime	£372 per month
Fuel Cost for Shuttling	£552 per month
Maintenance/Tyres Costs	£302 per month
Profit Margin	£572
Total Monthly Costs	£4,557
Total Yearly Costs	£54,684

- 2.3 The following costs in option 1 are based on the purchase of a used vehicle which will be suitable for the remainder of the current contract period. All figures below are estimated and based on monthly costs. The actual costs will be re-charged to the council.

Option 1

Purchase of vehicle for £60,000, and depreciate over 60 months	£1,000 per month
Staff costs based on 1x driver and 2x Loaders/ Operatives	£5,366 per month
Fuel & Ad- Blue cost	£1,906 per month
Tyres and Maintenance	£1,400 per month
Profit Margin	£1,244 per month
Total Cost	£10,916 per month
Total Yearly Cost	£130,992

2.4 Option 2

Cost based on a new leased vehicle.

Vehicle (based on a 5 year lease)	£5,000 per month
Staff costs based on 1x driver and 2x Loaders/ Operatives	£5,366 per month
Fuel & Ad-blue cost	£2,188 per month
Tyres & Maintenance	£900 per month
Profit Margin	£807 per month
Total Cost	£14,261 per month
Total Yearly Cost	£171,130

- 2.5 As per the tables above the cost of implementing an additional round would result in savings on the current inefficiencies of £54,684, but with the additional costs of Option 1 £130,992 leaving a net increase of £76,308 for a full year. With Option 2 the net increase in costs would be £116,446, both options would only have a part year effect in

2021/22 with a vehicle unlikely to be procured before September 2021.

- 2.6 The current situation with waste collections is unsustainable with a very real risk of resident's waste not being collected and the board is asked to approve the provision of an additional round with the preferred option being option 1 in order to provide an efficient collection service as the Borough grows.
- 2.7 An additional round will result in a review of waste collection rounds which will see some household's waste being collected on different days. Disruption will be kept to a minimum with residents being notified well in advance of any changes. Communications will include a targeted letter with bin collection dates of which the cost will be met by the Contractor. Webpage and social media posts will also feature in communicating any changes to households. A two week bed-in period will be given whereby the Contractor will collect waste if presented by householders on the wrong collection day. All collection frequencies will remain the same. Each household will still have one collection day per week. There will be **no** reduction in service.
- 2.8 Whilst the Council's current contract is until 31st March 2026 members must be mindful of the Government's forthcoming Environmental Bill which is currently at its consultation stage. Its proposals include statutory duties for all authorities to collect a consistent range of materials within wheeled bins and mandatory weekly food and garden waste collections. Initial proposals were for food collections to be implemented by 2023. However, the COVID-19 pandemic resulted with a delay in releasing consultations and a possible further delay in the implementation of the Bill.

3.0 Risk Assessment

- 3.1 Current operations result in contract operatives and drivers exceeding contractual hours of work. Whilst these overtime hours are currently covered by operatives they are not guaranteed. If drivers and loading operatives were to strictly adhere to their contractual hours it would result in some rounds failing to empty resident's wheeled bins on their allocated collection day. The risk of drivers exceeding their legislative restrictions of driver's hours must also be considered.
- 3.2 The Council have to be mindful that current driver's rates fall below that of other authorities and retaining drivers proves problematic. Pay structures and/or introducing bonus schemes will need to be investigated thus helping the Contractor to retain drivers, loaders and their experience
- 3.3 Future legislation - The Environment Bill has not yet received Royal Assent and many aspects are subject to consultation and secondary

legislation in 2021-22 with operational arrangements and financial mechanisms to cover future arrangements still unknown.

3.4 Costs shown in Option 1 and Option 2 are estimates based on obtaining a suitable vehicle and actual costs will be charged through the contract.

4.0 Conclusion

4.1 Our current contractor will provide waste collection services until 31st March 2026. To enable the service to continue and provide alternate weekly collections to its growing number of Inhabitants, an additional resource in the form of a 7th collection round is required.

Financial Services comments:	The costs are detailed in paragraph 2.5, the impact on budgets must be referred onto Policy & Organisation Board for approval.
Legal Services comments:	Contained with the report
Climate Change:	An additional refuse round will increase greenhouse gas emissions for which the Council is responsible, although these emissions are not covered by the Council's net-zero target.
Crime and Disorder:	None
Equality and Diversity:	None
Service Improvement Plan implications:	N/A
Corporate Plan:	This delivers against three key areas within the corporate plan: <ul style="list-style-type: none"> • Raise Aspirations • Empower Residents • Deliver Effective Services
Risk Assessment:	As set out in paragraph 3 of the report.
Background papers:	None.
Appendices/Enclosures:	None.
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