

**TO: JOINT WASTE DISPOSAL BOARD
30th SEPTEMBER 2016**

**PROGRESS REPORT
Report of the re3 Strategic Waste Manager**

1 INTRODUCTION

- 1.1 The purpose of this report is to brief the re3 Joint Waste Disposal Board on progress in the delivery of the re3 Joint Waste PFI Contract and the re3 Strategy.
- 1.2 Alongside a briefing, this report contains recommendation for three decisions by the re3 Joint Waste Disposal Board

2 RECOMMENDATION

- 2.1 **That following consideration of the relevant factors, including those identified by officers at Appendix 2, the Joint Waste Disposal Board decides whether to allow use of the re3 Recycling Centres by West Berkshire residents for a charge.**
- 2.2 **That following any decision at 2.1, the decision be formally communicated to West Berkshire Council by the re3 Joint Waste Disposal Board.**
- 2.3 **That Members resolve to support, where possible and through the provision of services within the remit of the re3 Joint Waste Disposal Board and re3 Waste PFI Contract, the future development of e-government as and when it is introduced by the re3 Councils.**
- 2.4 **That Members note the remaining contents of this progress report.**

3 ALTERNATIVE OPTIONS CONSIDERED

- 3.1 None for this report.

4 REASONS FOR RECOMMENDATION

- 4.1 The purpose of this report is to brief Members on progress and delivery within the re3 Joint Waste PFI Contract and the re3 Strategy.
- 4.2 The re3 Partnership is recommended to communicate with West Berkshire Council to facilitate timely decision making by that council in respect of Planning and provision of waste services.

5 BACKGROUND INFORMATION

Operational Changes at Recycling Centres

- 5.1 Prompted by the decision of West Berkshire Council to cease payments for use of re3 facilities by West Berkshire residents, the re3 Partnership has made some changes to the way that re3 recycling centres operate.
- 5.2 The first change came into force on 1st July 2016 and involved the requirement for re3 residents to display a residency permit in their vehicle or for them to provide specific documentary proof of residency.

- 5.3 Non-re3 residents have been denied access to re3 sites. At the Smallmead site, in Reading, overall tonnage in July and August was reduced by 30% and 24% respectively, in comparison to the same months last year. At Longshot Lane, in Bracknell, overall tonnage in July reduced by 15% but then increased by 8% in August in comparison with the same months last year. The latter figure was affected by the clearing of all waste on site in advance of the August Bank Holiday and therefore partially masks the impact of the residency controls.
- 5.4 The second phase of changes comes into operation on September 30th. Residents wishing to deliver their waste in a commercial or commercial-type vehicle will need to apply for a permit on the day before visiting the site and charges are also being applied to cover the cost of certain types of waste.
- 5.5 The specific details of the changes were discussed in detail at the meeting of the re3 Joint Waste Disposal Board on July 15th. The Waste Acceptance Policy (WAP) which describes all the changes was approved at the above meeting and a full copy can be accessed via the re3 website (re3.org.uk and [WAP](#)).
- 5.6 The application for permits for commercial-type vehicles will be undertaken online and residents without access to the internet, but wishing to visit the site in person in a commercial type vehicle, will be advised to apply via computers in the respective Civic Offices, libraries, other venues with public computer access to the internet, or with the assistance of family, friends or neighbours.
- 5.7 Charges are being applied to those types of waste that are deemed to fall outside of the legal definition of 'household waste'. This includes rubble, soil, plasterboard, asbestos and some types of gas bottles. Payment, by card only (no cash payments will be accepted), will be undertaken at the sites via hand-held, chip and pin machines.
- 5.8 Officers understand that the suppliers of the payment service apply a surcharge to credit card transactions at a rate of between 1 and 2% (according to the card). To include a compensatory charge for the transaction would only increase the cost being charged and thus the monetary value of the 1-2% surcharge. Officers have ascertained that American Express will not be accepted.
- 5.9 To support the changes, the entrance layout at both sites has been changed. The new layout is intended to support the 'meet and greet' process that will underpin the service at the re3 Recycling Centres. At Longshot Lane, some supplementary works have also been undertaken to remove the bottle-bank 'island' which has served as something of an obstacle to more efficient, on-site, traffic flows and particularly for residents not depositing green waste, wood or card in the lower section of the site. It is anticipated that this change will enable the Contractor to improve turnaround times for visitors at Longshot Lane (and thus have a positive impact on access queuing).
- 5.10 The changes are consistent with the objectives agreed within the re3 Strategy and in particular the aim of reducing the net cost of waste services. The changes support that aim by:
- Protecting re3 residents from the unsupported costs of waste from outside of the re3 area;
 - Seeking to discourage and prevent traders from depositing waste derived in the course of their business activities at residents' expense.
 - Seeking to recover the cost of some wastes specifically from those residents who are disposing of them.

- 5.11 The re3 Partnership is not alone in introducing changes at Recycling Centres. Appendix 1 to this report is a list of the measures introduced by neighbouring councils within the region. There are similar operational and policy approaches being adopted by councils within the region and, including re3, all have done so in order to seek to address budgetary pressures.
- 5.12 The changes were initially announced by the re3 Partnership on May 9th 2016. The re3 Partnership has undertaken to give consideration to the potential for West Berkshire residents to be admitted to re3 facilities for a charge.
- 5.13 In support of that consideration, Appendix 2 to this report seeks to pull together the principal factors that will contribute to a decision, by the re3 Partnership, on whether to introduce a charge for West Berkshire residents, in lieu of the previous payment that was withdrawn by West Berkshire Council from 1st July 2016.
- 5.14 In consideration of the prevailing factors, detailed at Appendix 2, and in consultation with the respective Heads of Service at the re3 Councils, Officers recommend that West Berkshire residents should not be allowed access to re3 facilities, for a charge, at this time.
- 5.15 Although, the re3 Partnership is under no obligation to make a decision now, a clear indication of intention is likely to be helpful to West Berkshire Council in its ongoing decision-making process. Accordingly, it is proposed that the re3 Joint Waste Disposal Board should write to West Berkshire Council to communicate its decision.

E-government and Self-serve

- 5.16 The re3 Joint Waste Disposal Board has expressed a keen interest in the development of measures to make more efficient the access to services provided within the shared waste PFI contract. In particular, and related to the recent changes described above, that has been discussed with specific reference to e-government and 'self-serve' systems.
- 5.17 Since the last meeting of the Board, however, it has become apparent that the timescales for the adoption of corporate e-government systems are longer than was originally believed.
- 5.18 The introduction of a requirement to apply for a permit for the use of a commercial-type vehicle has been developed to be an online process, reducing administrative burdens on customers and staff as much as possible. However, the next step will require even more integration between re3 services and corporate systems. Accordingly it is recommended that the re3 Partnership signals its intent to be as supportive to e-government as possible, within those services provided through the shared arrangements, at the point that a corporate framework is developed.

'Bag Splitting' at Recycling Centres

- 5.19 A scheme for improving recycling rates at the two Recycling Centres has now commenced at both sites.
- 5.20 Many residents deliver waste to the Recycling Centres in black bags. Prior to the introduction of the scheme, that waste would have been destined for landfill.
- 5.21 The new arrangements mean that the bags are collected, prior to being deposited by residents, and are then sorted through by staff who recover anything that can be

recycled.

- 5.22 Early results from the 'bag splitting' scheme show that up to a third of the contents of the black bags delivered can be recycled. The table below shows the total weight of the bags sorted, and the amounts recovered, in kilograms.

Pre Sorted Bags	
	33,299
Cans	98
Metals	866
Contract Plastics	404
Paper & Card	2,912
Textiles	3,227
Glass	728
Books & Media	355
SDA & WEEE	1,129
Green Waste	1,112
Sue Ryder	545
Aerosols	59
Total Recycled	11,436
Recycled % of bags	34%
Wood	635
Ceramics	1,383
Recovered % of bags	4%

- 5.23 The process will be continued at both sites and reviewed monthly. Further communications will support the process whilst ensuring that residents are informed about the composition and value in the waste they deliver.

Refuse Derived Fuel (RDF)

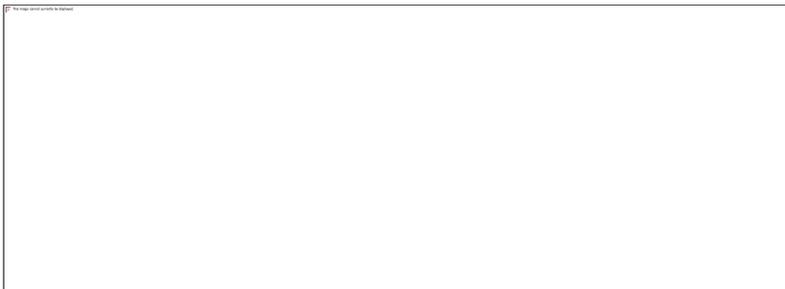
- 5.24 At the last Board meeting, Members requested an update on the current conditions in the RDF market and the arrangements being made with our contractor, FCC.
- 5.25 Refuse Derived Fuel is waste which is destined for disposal, principally by landfill, and is simply processed before transit to an Energy from Waste (EfW) facility. The facility is often in continental Europe where there has been spare EfW capacity. It has been cheaper to export in this way than send waste to landfill or EfW in the UK – partly due to market conditions and also the limit of 70,000tpa placed upon the re3 Partnership (via the terms of our PFI funding) for use of EfW.
- 5.26 Where demand exists and is reflected in favourable prices, the use of an RDF 'route' is viable - and the UK waste industry has exploited it in recent years. However, there are also some challenges where demand is exceeded by supply. However, factors such as energy demand (linked to seasonality) have disrupted the demand for RDF.
- 5.27 These market challenges must be considered prior to any firm commitment by the re3 Partnership. Officers have assumed that the dynamic nature of this market is a contributing factor in the length trial-period for this service.
- 5.28 The re3 Partnership is, however, being offered an arrangement under which the councils can take advantage of access to RDF production when conditions are

generally beneficial - though such flexibility would be reflected in the gate fee offered.

- 5.29 At a basic level, the gate fee for RDF remains cheaper than sending it to landfill (£110 and £126 per tonne respectively). This is complicated by the Contractor's interpretation of Gainshare within the contract as entitling it to half of the difference between the prices quoted, and is the subject of ongoing discussions.
- 5.30 Officers are working with the Contractor and colleagues at Defra to reach a conclusion to the discussions on RDF.

Street Sweepings

- 5.31 Following clarifications by the Environment Agency (EA) in 2012, councils across the UK were required to send street sweepings to landfill.
- 5.32 Following correspondence between the re3 Project Team and the EA in 2015, the re3 Partnership began sending street sweepings for processing again in October of that year.
- 5.33 As the initial deliveries occurred during the Autumn, they were naturally composed of lots of leaf material. Accordingly, officers undertook to report back at a later date and in order to reflect a less seasonally affected period.
- 5.34 The table below shows the breakdown of tonnage and processing for the street sweepings delivered by the re3 Partnership between October 2015 and June 2016 inclusive.



- 5.35 The processing of street sweepings is undertaken by two separate sub-contractors, Grundons and Invixon. The Grundons process has a recycling or composting rate of 76% and the Invixon process has a recycling or composting rate of 68%. The table above reflects the overall performance for re3.
- 5.36 The impact of the return to processing street sweepings can be seen on the recycling rate for each council. The positive contribution, in each case, is as follows:
- Bracknell Forest +1.3%
 - Reading +0.6%
 - Wokingham +0.8%
- 5.37 The differences between the impact are related to the amount of street sweepings delivered by each council relative to other waste and the sub-contractor to whom the sweepings are sent. Bracknell Forest delivers the greatest amount of sweepings and, as a result of location, all are processed at the Grundon facility.

6 ADVICE RECEIVED FROM ADMINISTERING AUTHORITY

Head of Legal Services

6.1 None for this report.

Corporate Finance Business Partner

6.2 None for this report.

Equalities Impact Assessment

6.3 None.

Strategic Risk Management Issues

6.4 None.

7 CONSULTATION

Principal Groups Consulted

7.1 Not applicable.

Method of Consultation

Not applicable.

Representations Received

7.3 Not applicable.

Background Papers

re3 Progress Report October 2015

re3 Progress Report January 2016

Contacts for further information

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re3 JWDB Sept 2016 - Appendix 1 – Changes at re3 Recycling Centres (Regional Policies)

The list below shows examples of where comparable policies are already in place in regional recycling centres.

Commercial Vehicle Permits

- Buckinghamshire** Residents using a commercial vehicle or trailer greater than 1.2x0.9m must apply for a permit for their DIY, general or recyclable waste.
- Hampshire** Householders who use a commercial-type vehicle must apply for a permit. This allows 12 visits to a recycling centre.
- Oxfordshire** An electronic permit system is in place for commercial type vehicles including vans, pickups and trailers between 1.8 and 3m in length. The system allows 12 visits in a 12 month period.
- Surrey** Permits are required to access the recycling centres with a van, pick up or trailer. A permit entitles the resident to 12 visits per year.
- Wiltshire** From 5th September 2016, a permit is required to access the recycling centres with a van or large trailer.

Vehicle restrictions are also in place within other Berkshire Recycling Centres and these are detailed below.

- Slough** A height barrier is in place of 1.7m and vehicles above this height must use the transfer station during its opening hours. CCTV and ANPR systems are in place to monitor usage of the sites.
- West Berkshire** No vehicles over 2m (6.6ft), or Luton style vehicles are permitted.
- RBWM** Height barrier of 2.1m is in place and large vans or trailers may not be permitted. Residents using a van to deposit large quantities of waste must contact the Recycling Centre at least 48 hours before visiting.

Charges for Non-Household Waste

- Hampshire** Charges for asbestos, plasterboard, soil and rubble are being introduced from 1st October 2016.
- Surrey** Charges for car and motorcycle tyres, as well as waste from construction and alteration works (including plasterboard, soil and rubble) were introduced from 1st September 2016.

re3 JWDB Sept 2016 - Appendix 2 – Changes at re3 Recycling Centres
(Consideration of charge for West Berkshire residents)

Officers have considered the principal factors which relate to the potential for the reintroduction of access for West Berkshire residents, on payment of a charge, to re3 waste facilities. The principal factors are as follows:

1. According to the Local Government Act 2003 (s93.3), Local Authorities are entitled to make a charge, but not a profit, from discretionary activities. The provision of re3 recycling centres for West Berkshire residents would be discretionary.
2. The provision of a service to West Berkshire residents would support those residents (particularly on the eastern side of the council area) in the absence of a full, local service.
3. Waste volumes and visitor numbers at the re3 sites have been reduced by the denial of access to non-residents. This has had a positive impact on the operation of both re3 sites and reportedly on the customer 'experience' for re3 residents.
4. West Berkshire Council has already undertaken to develop its site at Padworth to replace the provision that was previously paid for at re3 facilities. In a press statement on August 5th, West Berkshire Council announced that: *'As well as the introduction of a permit scheme West Berkshire Council intends, subject to planning permission, to extend Padworth so that it can accept general household waste. From the planning application being submitted it will take around six months to upgrade the site.'* By upgrading the Padworth site, the requirement for re3 facilities to provide a service for West Berkshire residents will be removed.
5. In the event that Padworth is not upgraded, it is probable that re3 facilities are likely to be the preferred destination for waste for disposal, asbestos, plaster board or gas bottles, as none of those waste types are accepted at Padworth. While a charge covering the cost for those items could be levied it is not clear that there would be an advantage to re3 for their receipt. There may be a negative impact on recycling rates at the re3 sites if composition (which may need to be assessed) of West Berkshire waste delivered to re3 requires disposal to a greater extent than recycling.
6. With higher than originally modelled increases in population forecast for each of the re3 councils (over the remainder of the contract) consideration should be given to whether the preservation of any limited, and temporary, over capacity is preferable, to ensure intra-partnership flexibility for future Recycling Centre provision.

End.