

North Lanarkshire Council Report

Environment and Transportation

approval noting

Ref AM/ RS

Date 13/02/2019

Review and Update of Waste Solutions Service

From Andrew McPherson, Head of Regulatory Services and Waste Solutions

Email mcphersona@northlan.gov.uk **Telephone** 01236 638575

Executive Summary

This report provides further detail on the ongoing programme of transformation relevant to the Council's Waste Solutions Service.

Recommendations

1. That committee note the contents of the report.
 2. That Committee approves the proposed service improvements.
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Supporting Documents

Council business plan to 2020 Delivers on Action 20 to provide a safe and attractive environment that supports the wellbeing of communities.

1. Background

- 1.1 Policy within the area of waste collection and recycling is driven by the Scottish Government's Zero Waste Plan. This Plan has a requirement that 60% of all household waste shall be recycled by 2020 with a further target to recycle 70% of all waste arising within Scotland by 2025 with a maximum of 5% of waste sent to landfill. As well as achieving the recycling targets set by the Scottish Government, there is also a financial incentive in diverting waste from the "residual bin" and into recycling.
- 1.2 The introduction of the Waste (Scotland) Regulations 2012 require that all local authorities collect recyclate in a manner which facilitates specific treatment and this essentially relates to separating out materials as much as possible at the kerbside.
- 1.3 The Scottish Government launched the national Household Waste Recycling Charter in December 2015. The Council has committed to work towards the overall aims of the Charter which are intended to achieve a more consistent and better quality recyclate from local authorities. The Charter identifies a number of collection strategies aimed at improving each Council's recycling performance and thus developing a consistent national system, while leaving scope for each Council to design specific services around their local priorities. A key driver of the Charter is to reduce the capacity of residual waste collection which in turn will encourage people to recycle.
- 1.4 The introduction of the Clyde Valley Residual Waste Contract in December 2015 will allow for all of the Council's residual waste to be disposed of at an energy from waste facility. The contract allows for a maximum tonnage from North Lanarkshire of 71,000 tonnes. Prior to introduction of the revised collection scheme the residual tonnage for the Council was 74,400 tonnes. There was a requirement therefore for the Council to reduce the waste being disposed of through the grey bin and ensure that all waste that can be recycled is disposed of through one of the recycling streams.
- 1.5 Audits continue to show that more than 50% of the waste disposed of in the grey bin is recyclable. As a percentage of the residual waste collected Food Waste (30.6%), Paper and Card (14.3%) Glass (6%) Metal (5.5%) and Plastic Bottles (3.9%) are still being disposed of and not recycled.
- 1.6 In order address these requirements, agreement to move towards a three weekly collection scheme was approved by Council in January 2015. This system would move the majority of properties (circa 120,000) within the council area onto a 4 bin system.
- 1.7 The revised waste collection service was introduced on 2nd October 2017 and from the outset suffered a number of operational issues which had an impact across the Council area.
- 1.8 In light of the issues that were encountered a review of the introduction of the new service arrangements was undertaken. The purpose of this review was to establish the weaknesses that contributed to the operational issues and provide recommendations to address these points.

- 1.9 Separate from the above, it was also clear that the Waste Service was in need of transformational change and a number of significant operational changes were required to ensure that the Service not only addressed the recommendations from the review, but that it changed and adapted to provide a service which was capable of delivering an efficient waste service for the future.
- 1.10 To further assist in the review, SLR Waste Management Consultants were asked to review the current service to compare the overall efficiency with that of other local authorities and private companies. They were also asked to provide recommendations where increased efficiencies could be achieved to reduce the overall cost of the service.
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2. Report

- 2.1 The review of the new service arrangements was undertaken through the interview of 18 different members of staff, the majority which were employed within the Waste Service, but representatives from other service areas such as Fleet Services, Customer Contact Centre and the Clyde Valley Project Team who provided support throughout the introduction of the new service were also interviewed.
- 2.2 The review delivered a series of recommendations and work has now been completed within the Service to address each of these fourteen points. A report relevant to the actions taken was presented to the Council's Audit and Scrutiny Panel on the 13th December 2018.
- 2.3 To ensure that the Service has and continues to address the recommendations within the original report, a follow up review has been scheduled for early 2019 where the Service's response to the recommendations will be assessed with an outcome report provided to the Executive Director of Enterprise and Communities.
- 2.4 Although the improvements in the service are now becoming apparent, the service still requires transformational change to ensure that it reaches its ultimate objective – to be the benchmark for all other local authorities. To ensure that we continue to deliver the required improvements to reach this goal, a number of further short and long term measures are now being introduced.
- 2.4.1 Following a review of the council's six recycling centres it is clearly evident that the recycling performance of the sites could be improved as the average recycling rate is below the industry standard of 55%. As a consequence the following actions have now been undertaken:
- A tendering process for new contracts for all recyclable materials on site has now progressed with a commencement date of February 2019. Contrary to previous tenders, the current management team has generated significant interest in bidding for the material which should result in competitive tenders being received.
 - Further training of all site operatives will be undertaken to emphasise the importance of ensuring the correct materials are placed within the correct skips.
 - Performance monitoring will now commence at all sites to determine the levels of recycling at all sites.

- Anecdotal information, and backed up with information from the vehicle recognition scheme at all 6 sites, suggests that a large volume of commercial waste is being deposited at the sites. This gives rise to a number of concerns:
 - The sites are not licensed to accept commercial waste;
 - The deposit of commercial waste at the sites is impacting on the overall recycling figures for the council as most waste deposited is simply sent to landfill; and
 - Commercial businesses illegally depositing their waste at these sites are seeking an unfair advantage over other legitimate businesses who will comply with their legal requirements and face a cost for doing so.

In order to address the above issues, scrutiny will now be placed on the management of the sites to prevent the deposit of commercial waste. This will include:

- Prohibiting any commercial vehicle entering the site;
- Provision of additional signage at all sites advising that no commercial vehicles will be allowed entry;
- Increased communication delivered through all normal digital channels and through leaflets distributed at the sites emphasising the restriction on commercial vehicles;
- To protect the health and safety of all operatives on site, CCTV body cameras are provided to all staff to complement the existing CCTV on site;
- Any vehicles refusing to comply will be reported to the Scottish Environment Protection Agency (SEPA) for illegal dumping of waste;
- Increased awareness of the use of the sites by other Council Services; and
- Vehicle recognition identifying cars that are repeat users indicating that they are disposing of more than just household waste.

The above measures were introduced on the 22 October 2018 and this has already resulted in an overall 17% reduction in the levels of waste coming into the recycling centres.

Although this approach is essential, it is accepted that where an individual only has a commercial vehicle as their single method of transport then this will effectively prevent them from disposing of waste at the sites. To address this issue, we have advised that if this is the case then a representative from the Waste Service will visit the property and if it can be demonstrated that the waste has originated from that property and the person who drives the vehicle lives at that same address, then we will make arrangements to allow access to our sites.

- 2.4.2 The council has now secured the appropriate license from SEPA which will allow the storage and processing of waste at Auchinlea - the location of the council's old landfill site. The potential of this facility has been overlooked for a number of years and a business case is now being drafted to maximise the potential of the site. With the ongoing fluctuations in the recycle market, the provision of such a facility will mitigate the risk to the council should any contractor default in any existing contract and will also increase the competitiveness of any future tender exercise which in turn should see a reduction in the disposal costs to the council. The current licence will allow us to store individual waste streams immediately, which in turn reduces any business

risk to the council should any existing processor default on their contract; but the ultimate aim, subject to the outcome of the business case, is to have the site fully licensed and equipped in time for the commencement of all new contracts in October 2020.

- 2.4.3 Rationalisation of depots - work is now underway to look into the feasibility of closing both the Southerhouse and Albert Street depots and moving the entire business to the Bellshill depot. There are significant operational and financial advantages in pursuing this option and assuming the associated business case is in agreement with these assumptions it is anticipated that this move will take place towards the beginning of 2020.
- 2.4.4 The Assisted Pull-out Service is provided where the resident of a property cannot present the bin to the kerbside and this requires the Waste operatives to remove the bin from the garden, empty and then return the bin to the garden. This is a time consuming exercise for the Service and greatly impacts on the efficiency of the route. Within the last year alone the number of pull out services provided has increased from 9,900 to 11,842 – a 20% increase. This growth has been driven due to the changing age demographics within North Lanarkshire coupled with the emphasis in moving people from hospital to care in the community. There is no suggestion that such a service should be removed, however, the numbers of pull-outs within North Lanarkshire currently sits at around 9-10% of all households and this is compared to an average 3% for other local authorities. There is an obvious requirement therefore to review those properties currently listed as “pull-outs” as there is clearly a number which will not now require the service due to changing circumstances within that property. This will be a resource intensive exercise as the majority of properties will be contacted personally; but this will be essential to ensure the review is undertaken in a sensitive manner and that we do not remove any person from the service who is genuine need. Work regarding this issue will commence early in the new financial year.
- 2.4.5 As part of the ongoing review of the Service, the absence of any real digital transformation was clearly evident. A Digital Transformation Group has now been established to ensure that the opportunities which will arise from the NL Digital programme are maximised and in return deliver a more efficient Service. Already this has seen the introduction of a “dashboard” facility for all Supervisors and managers which provides access to real time performance information across all aspects of the Service – from performance at the Council’s six recycling centres down to individual missed bins/ pull outs which can now be attributed to an individual crew. Similarly, “in cab” technology is now starting to be introduced to front line vehicles which allows real time information to be recorded which can then be available to staff within the Customer Contact Centre and the Support team within Waste Solutions.
- 2.4.6 The current “tagging” policy is operating effectively and has resulted in a significant increase in the quality of the recycle being collected at the kerbside. A developing issue however, is the presence of “tagged” bins on pavements which are left there by residents in the hope that the Council will simply empty and the resident will then return the bin to the property. This provides no incentive to residents to recycle properly and accordingly an “orphan bin” process has been introduced which will allow the removal of such bins and they will only be returned on condition that the resident engages with the recycling process. It is also recognised however, that on some occasions when residents move into a property that the bins have been left in a

contaminated condition. Arrangements are now in place that the bins will be emptied at a charge of £15 per bin with the cost being met by the landlord/owner. This allows new residents of that property a “clean start” and prevents the build-up of refuse within such properties.

- 2.5 With this level of change within the Service it is critical that staff are kept fully informed, are engaged in the overall process and that they receive the training relevant to their responsibilities. To ensure that this is done a number of actions have been undertaken:
- Communication will be improved throughout the Service through a number of ways including the introduction of a staff newsletter, performance information being displayed within the depots and the introduction of an Employee Forum which allows regular informal discussion and the sharing of ideas and suggestions.
 - Introduction of the SWITCH competency framework for all front line staff. Effectively this ensures that all staff receive the necessary training relevant to their post.
 - The SWITCH framework will be further enhanced with the introduction of the Safety, Health & Environmental Awareness (SHEA) passport scheme for all front line staff. It is designed to provide evidence that an individual has demonstrated an appropriate level of knowledge and awareness to health, safety and environmental awareness within the waste and recycling industry.
 - The above two initiatives will be complemented with further investments in health and safety with a group established to review the quality and effectiveness of the current protective equipment. In addition every member of staff will now be issued with a personal body camera which will allow any incidents to be recorded as the Service pursues a zero tolerance approach towards any violent behaviour towards its employees.
- 2.6 Over the last year the overall level of service has continued to improve and a summary of the key areas is provided below:
- **Recycling Level** - the previous recycling rate for the council has been consistently around the 40% level for the last 6 years with a figure of 39% for 2017. Following introduction of the revised waste policy in October 2017 the current collection figures suggest that the recycling figure for 2018 will be around 46%. Although this represents an overall 18% increase in the levels of recycling and will be the highest ever recycling rate for the local authority, it is still short of where the council needs to be. The changes highlighted throughout this report will lead to further increases and it is anticipated that further increases in the recycling rate will be apparent over the coming years.
 - **Quality of Recyclate** - The quality of the recyclate that is now being collected at the kerbside has significantly increased with around 95% of the food/garden and glass/metal/plastic collections being within the contracts top band for quality which is well above the predicted levels. The reason behind this increase in quality has been a mixture of a robust tagging policy for contaminated bins and an effective communication campaign coordinated through our own Corporate Communications team. However, although the quality of the GMP and food/garden waste has remained consistent, the feedback we are now receiving from the paper/card processor is that the quality of this material has significantly dropped. This has coincided with a significant drop in the market price for the product. There has been no significant change in our collection policy so there is a concern over why the quality of this material should deteriorate so quickly

when the other recycling streams have remained consistent. Discussions have now commenced with the processor to determine a resolution to this matter.

- **Levels of kerbside residual waste** - One of the key reasons in introducing the new system was to reduce the overall levels of residual waste through increased recycling. Using the same comparison as detailed above, the total levels of residual waste collected over the first 12 months of the new service has reduced by 16%. In addition the overall levels of household waste collected has reduced by 8%. However, these figures should be treated with a degree of caution, as the comparison years reflect the introduction of the new service and the figures do not take into account the levels of commercial tonnage or fly tipping. A more accurate figure will be available the following financial year when a full calendar/ financial year of the new service is available.
- **Missed bins and pull outs** - with the introduction of the new waste service there were significant operational difficulties at the start of the service, particularly around the levels of missed bins and missed pull outs. This was due to a number of factors which have now been addressed and the levels are now at a level comparable and below that experienced before the introduction of the new service. That said, the levels are still too high and work is now underway to reduce this even further. By way of context, it should also be noted that the council currently undertakes approximately 71,000 pull out requests and uplifts around 910,000 bins every month.
- **Identification of Ongoing Cost Pressures** - the introduction of the new service has highlighted a number of ongoing pressures on the service:
 - Medical uplifts - the introduction of the new service coincided with a drive to care for more people within the community as opposed to a health care setting. This in turn has led to the number of medical uplifts (weekly residual waste collection) rising from 200 to around 1900 over the last year. This has required dedicated waste routes to be established to accommodate this demand.
 - Food/garden - due to the lack of processors competing for this tender, it has required the delivery of the material to a site outwith the district. This increased travelling together with a significant increase in the uptake of the service has led to additional resource being required.
 - Maintenance of two weekly collection - a number of properties either could not cope practically or were simply not engaging with the new collection scheme. As a consequence, a number of these properties have remained on the previous two weekly collection scheme and again this requires the provision of additional resource.
 - Increased house building - over the last 5 years the council has seen an overall increase of 5,000 properties. For every 1,000 properties it is estimated that this costs the Waste Resource Service an additional £150,000. No additional funding has been provided over that period and as a consequence this has placed a further ongoing pressure to accommodate this house growth within the existing resource.

Significant work has now been undertaken with colleagues within Financial Resources and additional funding will now be allocated to the service going forward which will allow all of the issues detailed above to be addressed. This will involve the recruitment of additional front line staff and refuse vehicles. This additional resource will not only allow delivery of the above services but will also result in a significant reduction in overtime costs which was a key reason for the overspend as essentially the service could not

effectively operate without staff continually working on an overtime basis. The additional staffing resource will also allow the proper allocation of annual leave as the previous levels of staffing could not accommodate the holiday entitlement for all staff.

- **Replacement/ New Bin Requests** – at the introduction of the revised scheme, it became apparent very quickly that the baseline data for the bins which had been delivered/ already existed across certain areas was not accurate. This in turn led to a significant increase in the number of bin requests expected. This has now been addressed, however the Council continues to receive around 900 requests for new bins every month. The reason for these requests are now analysed and it has been found that around 50% of these requests are for new bins to replace those that have either been lost, damaged or stolen. The Council will continue its policy to offer free recycling bins to every property, however, it cannot sustain this level of demand to replace lost, damaged or stolen bins without cost. Accordingly a standard fee of around £50 will now be charged for any resident who wishes such a replacement bin.

3. Equality and Diversity

3.1 Fairer Scotland

No implications.

3.2 Equality Impact Assessment

Any movement of staff which may result from any of the actions detailed in this report will be delivered in accordance with Council policy.

4. Implications

4.1 Financial Impact

- 4.1.1 Significant work has now been undertaken with colleagues within Financial Solutions to cost and forecast the impact of the ongoing cost pressures on the Waste Service. In 2018/19 this financial support has come from an earmarked reserve of £1.5m. Going forward the cost pressures on the waste service have been recognised in the Council's long term financial planning assumptions. In addition the Service will have to continue to review activity on an ongoing basis to deliver efficiencies. For example this includes the changes at the HWRC sites to ensure the enforcement of stopping commercial tonnage entering the sites, reviewing the fleet requirements and the streamlining the operation by rationalising the depots.

4.2 HR/Policy/Legislative Impact

- 4.2.1 Colleagues within the Human Resource service shall be involved in any of the service changes highlighted within this report to ensure any movement/ change of personnel is completed in line with the relevant Council policy.

4.3 Environmental Impact

4.3.1 The introduction of the changes highlighted within this report will allow for increased recycling and reduction in fuel costs/ expenditure which in turn will have a positive environmental impact.

4.4 **Risk Impact**

4.4.1 With the overall change now taking place, this has necessitated an overall review of the risks associated with the Waste Service and this has now been completed and will be monitored in line with Council policy.

5. **Measures of success**

5.1 Improved operational and financial efficiencies across the Service.

5.2 Increased recycling performance.



Andrew McPherson
Head of Regulatory Services and Waste Solutions