

CABINET – 21 JULY 2015

HOUSEHOLD WASTE RECYCLING CENTRE STRATEGY

Report by Director for Environment and Economy

Introduction

1. Oxfordshire currently has 7 Household Waste Recycling Centres (HWRCs). In total the HWRC network costs £4.1 million to run; £1.2 million of this is spent on management fees, and the rest on transport and disposal / treatment gate fees. Over 1 million visits are made to the sites each year and 93% of users are satisfied/very satisfied with the service. The sites accept around 45,000 tonnes household waste/yr with an average recycling rate of over 70%. Oxfordshire County Council (OCC) has a duty to provide residents with 'reasonable access' to HWRCs under the Environmental Protection Act 1990 (EPA).
2. A previous HWRC strategy was agreed by Cabinet in April 2011 to help meet budget savings. Stanford in the Vale, Ardley and Alkerton HWRCs were due to close under the 2011 proposal, a new site was to be located in the north of the county, and at Kidlington. However, due to land issues at the Kidlington site this strategy is no longer deliverable.
3. A HWRC strategy will aim to create a sustainable network of sites across the county that are well located for areas of population. The network, together with district council kerbside collections, will aim to maximise the amount of waste reused and recycled in the county and minimise the amount of material sent for disposal. An agreed strategy will enable OCC to seek contributions from new development to maintain and improve the HWRC network.
4. In February 2014, budget savings of £350,000 by 2017/18 were agreed from the HWRC budget, as part of the Council's Medium Term Financial Plan (MTFP). The strategy will therefore also need to set out how these financial challenges can be met without increasing financial pressures elsewhere (e.g. waste disposal costs).
5. There are a number of other pressures that a strategy will need to address: Alkerton and Stanford HWRCs have limited planning permission, and Ardley will be closed by the landowners in 2017. All sites are currently nearing capacity and population growth will require a number of sites to be expanded or replaced. The contract for the management of HWRCs requires re-procurement in 2017 and is likely to result in increased management costs due to the changes in the materials markets.

HWRC Strategy

6. A wide range of options have been considered to try and achieve the savings needed including partnering with other authorities and the private sector. Charging for access has been suggested by a number of residents in the past as an alternative to closing sites, but legislation prevents OCC from doing this. Income generation through reuse, or by charging companies to deposit waste at sites will form part of the new strategy but the level of income generated is not guaranteed and unlikely to be enough to prevent other changes from being required.
7. In order to achieve a financially sustainable network of sites, it is proposed that the strategy we consult on is based on the following key objectives:
 - reduced number of sites;
 - locate sites to limit as much as possible the drive times for residents;
 - locate the sites as close as possible to the more populated centres;
8. Public consultation will be carried out for 8 weeks, from 10 August to 5 October 2015. It will be widely publicised and all residents will have the chance to comment on the proposals. Consultation will also seek to establish the most appropriate opening hours for sites. Consultation responses will then be analysed and developed into a final strategy that will be taken to Cabinet for approval in December 2015.
9. Implementation of the agreed strategy will begin in 2016; however, it is likely to require changes to existing site infrastructure, or the development of new sites. It is recognised that this, along with site closures, may take several years to fully implement. In order to allow adequate time to do this, yet still meet the savings requirements in the medium term financial plan, it is proposed that funding from the withdrawal of Green Waste Credits (detail below) is used to bridge the gap in the short term, as well as providing funding to enable investment in the longer term strategy.

HWRC Strategy - Financial and Staff Implications

10. Many residents are concerned that any changes to HWRC locations or opening hours will result in an increase in flytipping. As well as being a public nuisance flytipping results in increased costs for district councils who are responsible for clearing the materials and enforcing against offenders, and OCC who are responsible for the disposal costs. A number of local authorities across the country, including OCC in 2011, have made changes to HWRCs over recent years and evidence has shown that with appropriate levels of communication about alternative sites. OCC will ensure that any changes to HWRC provision in the county are supported by significant and widespread communications to residents.
11. There is a risk that some residents will not wish to travel a greater distance to site to deposit their waste and will dispose of it within their residual kerbside bins. OCC anticipates that over time most residents are more likely to alter

their behaviour, combining a trip to a HWRC with another journey, or by storing waste for a while before making a trip with a full car load.

12. Any anticipated behavioural change will need to be reflected within the final HWRC strategy. Sites will need to be designed to accommodate changing patterns of use and residents using their kerbside bins rather than travelling to an HWRC will increase residual waste treatment tonnages and costs. The implications of both of these will be factored in to the final strategy to ensure that existing and future budget savings are met. It is unlikely however that the £350k savings scheduled for 2017/18 will be met due to the time required for infrastructure changes to be made.
13. A HWRC strategy that proposes new or expanded sites will have capital cost implications; however, these must be balanced against the capital implications of maintaining the current network of sites. As detailed above in Paragraph 5 significant capital expenditure would be required to maintain the existing network; a similar level of spend would be needed to implement a strategy with fewer sites. The capital currently available for HWRC infrastructure is likely to be insufficient to accommodate changes, however an agreed strategy will enable us to seek further developer contributions to assist over the longer term. The capital implications of the proposed strategy will be presented in the December Cabinet paper.

HWRC Strategy - Equalities Implications

14. A full Service and Community Impact Assessment (SCIA) will be prepared along with the consultation document. Limiting service may increase costs for some residents as they may need to travel further to visit a site.

Links with Corporate Policies

15. An HWRC strategy will enable OCC to meet policies contained within the countywide Joint Municipal Waste Management Strategy (JMWMS). A HWRC strategy is linked to:
 - (a) Policy 4 – Achieving a recycling and composting rate of at least 65% by 31 March 2020,
 - (b) Policy 5 – ensuring that recycling and waste services are available to all residents
 - (c) Policy 8 – providing waste management services for specialised and potentially polluting material streams such as Hazardous waste and Waste Electrical and Electronic Equipment
 - (d) Policy 11 - councils will work together, with local communities, and with our service providers to reduce the environmental and financial costs of waste management.

Green Waste Credits

16. OCC currently pays the district and city councils a non-statutory green waste credit payment based on the tonnage of green garden waste delivered to OCC composting facilities. A green waste credit payment is not made to

Cherwell District Council as their garden waste is collected together with food waste and treated at a different facility.

17. The non-statutory green waste payment amount is comprised of the difference between the green waste gate fee (which OCC pay direct) and the recycling credit amount. This arrangement was established as part of the countywide strategy to encourage recycling, drive behaviour change and subsidise collection costs during the roll out and expansion of green waste collection services. The green waste credit arrangement was agreed between Waste Collection Authorities (WCAs) and OCC in 2009 when OCC awarded a 20 year Food and Green waste contract to Agrivert. In 14/15 the green waste credit payment to the four districts cost OCC around £500k.
18. This policy, along with others, was highly successful and for the past few years Oxfordshire has had one of the highest countywide recycling rates in the country. These high rates of recycling are now well established and the severely constrained financial situation requires OCC to consider alternative arrangements that would no longer require the County to make these payments. It is therefore recommended that OCC request in writing that the districts continue to deliver their green waste to OCC contracted facilities; informing them that while OCC will continue to pay the gate fee for this material, the top up payment will no longer be made from 1 April 2016.

Green Waste Credits - Financial and Staff Implications

19. The £500k saving made from the withdrawal of the green waste credit payment will be used to support any unrealised savings in the 2017/18 MTFP. The funding can also be used to contribute towards any HWRC infrastructure changes required as part of the strategy.
20. If any district chose to stop collecting green waste from the kerbside then we believe residents are likely to home compost, or take material to the HWRC. There is a risk that some green waste would be placed onto residual bins and sent to the Energy Recovery Facility (ERF). Material processed at the ERF has a higher gate fee than that sent for composting resulting in increased costs for OCC. In the event of such a proposal OCC could consider its options with respect to requiring the separation of green waste.
21. OCC has minimum tonnage requirements for green waste within the Agrivert contract. Currently green waste delivered by the districts counts towards minimum tonnage requirements. On average over the last 5 years we have exceeded the minimum tonnage requirements with green waste collected from HWRCs alone by 6%. While changes to HWRCs may reduce the amount of green waste collected at sites, if this were to coincide with removal of kerbside collections we would expect to see an increase in green waste taken to HWRCs, mitigating the risk of not meeting minimum tonnage requirements.

22. There is also the risk that relationships with district councils may be damaged by this decision and as much notice as possible should be given so that budgets can be effectively planned.

Green Waste Credits - Equalities Implications

23. There are no equalities impact implications associated with this decision.

RECOMMENDATION

24. The Cabinet is **RECOMMENDED** to
- (a) approve a public consultation on a HWRC strategy based on the principals in paragraphs 7 and 8; and
 - (b) approve the withdrawal of the non-statutory Green Waste Credit payment from 1 April 2016.

SUE SCANE
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