**Redesign of Waste Services**

**Context**

* *Headlines –*
	+ *Services to 233,100 residents, 103,706 households, 4,800 commercial customers*
	+ *Net budget of £22.467 million (£10 million collection, £12 million disposal)*
	+ *Over last 5 years*
		- *cost of collection has reduced by 4.3% (£518K). Nationally, costs of collection have increased by 10.5%*
		- *cost of disposal increased by 7.8% (£951K). Nationally, costs of disposal have increased by 7.6%*
		- *recycling has increased by 0.5%, but trend is slightly downwards over last 3years*
		- *Legal responsibility to*
			* *provide residual (Green / grey bin) and recycling (blue bin) collections to all households*
			* *provide household food waste collection in Inverness*
			* *arrange for collections for businesses, although don’t need to provide service ourselves.*

*We can specify frequency for all of the above*

* + *Highland Council’s Waste Strategy approved 2009*
		- *Provision of three energy from waste plants (one each in Skye, Caithness and the Inner Moray Firth*
	+ *Scottish Government’s Zero Waste Plan 2010*
		- *75% recycling by 2025*
		- *5% landfill by 2025*
		- *Will no longer be able to landfill our waste after 31.12.20. Developing contingencies to address this in the short, medium and long term. Could have significant influence on costs*
	+ *Council have agreed to adopt the Household Waste Recycling Charter promoting circular economy, improving recycling and standardising services across Scotland*
* The redesign review covered all waste functions. It was comprehensive and challenging of current operating models.

 [The full report can be viewed at this link: Waste Management](http://www.highland.gov.uk/staffsite/downloads/file/5807/waste_management)

* Over 80 actions for redesign were recommended and agreed by the Council. They covered: waste management sites; waste transfer and disposal; collection of waste for landfill, food waste, recyclate, garden waste, bulky uplifts and commercial waste; dealing with fly-tipping; the recycling of waste; and education and awareness on waste and recycling.
* Some recommendations were strategic, others were operational or about facilities or financial and workforce processes. Commercial opportunities were highlighted and changing the service delivery model especially around the in-sourcing of some services was to be explored, along with a potential ALEO model.
* The actions were organised and phased according to whether they were a redesign priority, long, medium and short term priorities. The up-date to the Board focuses on priority actions. The up-dated and full action plan can be viewed at the [Redesign SharePoint Site](http://ntsp2010web/sites/RedesignSite/SitePages/Home.aspx)

**Priority Review Recommendations - progress up-date and discussion points**

1. Development strategy for the Seater Landfill Site including commercial opportunities post 2021.
2. Identify and acquire transfer stations in Lochaber and Aviemore and anywhere else if there is an operational and financial benefit. Enable a stronger bargaining position for the Council with the private sector or move to in-house delivery of waste services for these sites.
3. Finalise the business case for long term waste disposal in the Highlands, with an emphasis on determining whether and at what scale an Energy from Waste plant is appropriate. A clear plan of action and delivery timescales within a project management framework is essential. This requires a strong corporate and political lead and should be an immediate priority for the new Council.
4. Procure route optimisation software to challenge cost and environmental impact of existing collection routes/frequencies. Lean review proposed.
5. Conduct early review of collections in the Inner Moray Firth area, with the objective of implementing a trial of new collections methods in consultation with local Members affected.
6. Refocus existing staff to ensure commercial opportunities and income are maximised and contracts are managed on a regular basis. Dedicated commercial waste team to be considered.
7. Introduce charge for collection of Garden Waste

**Achievements, opportunities, initiatives and risks to highlight.**

* In August 2016, the Council agreed to sign up to Household Waste Recycling Charter. Now working with Zero Waste Scotland (ZWS) on an Options Appraisal to identify most appropriate ways of increasing recycling of household waste in the Highlands, whilst optimising collection methods and challenging costs.

Options being considered include

* + Expanding Food and Garden Waste collections
	+ Reducing frequency of residual waste collection to 3 or 4 weekly
	+ Introducing new bins for paper / card and plastics / cans
	+ Reducing size of residual bin to drive increased use of recycling services
	+ Improving network of recycling points

Funding available from ZWS for implementation and associated comms. Aim to report back to February EDI Committee with update

* Project Catalyst – Final Business Case for residual waste treatment should be closely aligned with Council’s Energy Strategy. Have been working closely with Project Catalyst team to make sure that opportunities are maximised
* Waste Contract Strategy – 20 contract / 13 suppliers to meet all of our waste and recycling requirements, plus associated haulage. Highly specialised market with potential for anti competitive behaviour. Concern within the industry that there is insufficient capacity to deal with residual waste, especially in Scotland. Reliance on exporting to north of England and / or Europe, which will not be sustainable post Brexit
* Opportunities for improved efficiency from 2018 / 19 onwards. However, may result in cost avoidance rather than genuine savings
* Restructuring of Waste Services required to deliver recommendations in review
* Lean review up-date on billing process – show case