

**HERTFORDSHIRE COUNTY COUNCIL**

**COMMUNITY SAFETY & WASTE MANAGEMENT  
CABINET PANEL**

**FRIDAY 1 JULY 2016 at 10.00am**

Agenda Item No.

**10**

**WASTE MANAGEMENT PERFORMANCE MONITOR**

*Report of the Chief Executive & Director of Environment*

Author: Simon Aries, Assistant Director Transport, Waste &  
Environmental Management Environment (Tel: 01992 555255)

Executive Member: Richard Thake, Community Safety & Waste  
Management

**1. Purpose of report**

- 1.1** To allow the Cabinet Panel to review the performance of Waste Management for the fourth quarter of this year (January – March 2016) against the Environment Department Service Plan 2015-2016 including key performance indicators, major projects, contracts and identified risks.

**2. Service Performance Summary**

**2.1** Waste Management

The Waste Management Unit provides four separate quarterly monitoring reports to update on the service specific Household Waste Recycling Centre (HWRC) contract, the high profile Residual Waste Treatment Programme (RWTP) and an overall assessment of the statutory Waste Disposal Authority (WDA) function of the county council in the form of three performance indicators.

- 2.2** The Cabinet Panel also receives the following annual performance report - Hertfordshire Waste Partnership Annual Report 2014/15

**3. Recommendation**

- 3.1** The Cabinet Panel is invited to note the report and comment on the performance monitor for Quarter 4 2015-16.

#### **4. Strategic Performance Indicators**

**4.1** The Waste Management strategic performance indicators, contracts and projects are listed below along with their data for Quarter 4 2015/16.

#### **4.2 Hertfordshire Residual Waste Treatment Programme Project**

*RAG Status – Red*

At this stage in the programme a number of risks have been reduced due to the control measures in place, however, overall the status remains as red due to the high profile nature and high value of the programme.

The county council entered into a contract with VES in July 2011 for the provision of residual waste treatment services including the design, construction, financing and operation of a Recycling and Energy Recovery Facility (RERF). Following a planning inquiry and the independent inspector's report the planning application for the RERF at New Barnfield was initially refused by the Secretary of State (SoS) on 7 July 2014. As a result of a successful High Court challenge by VES, the application was referred back to the SoS for re-determination. On 16 July 2015 the Secretary of State turned down the planning application. There were no challenges lodged to the re-determination decision.

Following Member approval a RPP (Revised Project Plan) was requested from VES, VES submitted their draft RPP on 7 July 2015. Following a lengthy and detailed evaluation, a report was taken to the 4 March Community Safety and Waste Management Panel detailing the RPP and evaluation of the proposal. The decision was taken by Cabinet on the 14 March to accept the RPP in principle subject to the conclusion of the formal legal drafting.

Interim disposal arrangements are in place until 2018 with the opportunity to extend until 2021.

#### **Key Achievements and Progress in Qtr 4 (January – March 2016)**

- Completion of the final RPP evaluation report taken to the Community Safety and Waste Management Panel on 4<sup>th</sup> March 2016.
- Decision at Cabinet on 14<sup>th</sup> March to proceed, in principle, with the RPP.
- Ongoing work with VES and external advisors on the legal drafting and ancillary documents required to bring the RPP into effect (to be

completed before 30 June 2016).

- A feasibility report has been produced by external consultants for the potential development for an Eastern Transfer Station at the former Ware landfill site.
- Following a site search in the north of the county to identify potential sites for the development of a Northern Transfer Station, a highways assessment and a feasibility study has begun.

#### **Key Issues, Risks & Risk Mitigations:**

- There is a risk that the final RPP drafting will not be completed before the 31<sup>st</sup> March. This has been mitigated by entering a Deed of Variation to the contract to allow the time for completion of the legal drafting and ancillary documents to bring the RPP into effect until 30<sup>th</sup> June 2016.
- There is a risk that VES will not achieve planning permission for the RPP, should this happen and planning permission be refused or called in the county council may terminate the contract and pay the capped sums (c. £1.2m).
- The risks mentioned above are mitigated by the interim contracts which are in place until 2018, with possible extension to 2021.

#### **4.3 Waste Disposal Authority (WDA) function (excluding RWTP) indicators**

To ensure a compliant, high performing, economical and environmentally sound suite of waste disposal arrangements for Hertfordshire the county council uses the performance indicators shown in sections 4.4 to 4.6.

This quarterly update provides an overview of the key factors influencing the three **annual** performance indicators for the county council in its role as WDA (as set out below) and also highlights other key areas and matters related to the function of the WDA.

The performance indicators are reported annually. The final outcome for 2015/16 will be presented in the October 2016 update once all data has been collated and confirmed.

All the WDA performance indicators have shown improvement in the 2014/15 outturn compared with the previous year as detailed below:

#### **4.4 Total household waste per household in kilograms (the lower the better)**

The total amount of household waste per household in 2014/15 was 1,046 kg which represents an improvement on the figure of 1,062 kg in 2013/14.

In 2015/16 it is expected that this indicator will improve further as a result of the full year effect of kerbside changes in Dacorum and Three Rivers, and new service changes introduced by Broxbourne (reduced residual waste capacity). Early projections suggest that this figure could reduce to circa 1,040 kg per household.

This indicator is considered as a Green RAG rating.

**4.5 Based on NI 192 – Percentage of Household Waste Recycled, Composted or Re-used (the higher the better)**

The percentage of household waste recycled, composted or reused improved in 2014/15 to 49.8%, an increase on the 2013/14 total of 49.1%. This is comparable to the regional figure of 49.3% and above the England average of 43.7%.

As noted above this performance indicator is expected to improve in 2015/16 as a result of service changes in Dacorum, Three Rivers and Broxbourne as well as improved separation of wood grades at household waste recycling centres. It is expected that performance will exceed 50%.

This indicator is considered as a Green RAG rating.

**4.6 Based on NI 193: % of Local authority collected waste landfilled (the lower the better)**

The proportion of Local Authority Collected Waste (LACW) landfilled in 2014/15 was 25%, a significant decrease (positive direction) on the 2013/14 total of 34.3%. This reflects the new suite of interim disposal contracts which focuses more on Energy from Waste (EfW) as opposed to landfill. This is expected to improve further in 2015/16 now that the new Greatmoor EfW facility is fully operational. The latest projections suggest a figure of circa 20% for 2015/16.

The indicator is considered as a Green RAG rating

**Key Achievements and Progress in Qtr 4 (January to March 2016)**

Following evaluation of clinical waste disposal tenders in December 2015 a decision was taken to re-tender the contract as the original tender responses did not offer value for money. The current contract has been extended for six months with the new procurement commencing in April with the new contract programmed for September 2016.

**Good news/quick wins**

- The new street sweeping recycling contract commenced in January 2016 providing facilities for all ten waste collection authorities to recycle their mechanically collected street sweepings. The new contract processes street sweepings (predominately grit and sand) producing products used in the construction industry attracting a significantly lower gate fee as opposed to disposal.
- The FCC operated Greatmoor Energy Recovery Facility in Buckinghamshire is now operational and accepting waste from Hertfordshire. This is expected to contribute to economic and performance improvements in 2015/16.

#### **Key Issues, Risks & Risk Mitigations:**

- The ability to meet existing organic waste disposal contracts (for the processing of green garden and food waste) remains a risk, particularly with the potential for a number of waste collection authorities to charge for garden waste in response to savings targets. The WDA continues to work closely with all waste collection authorities and disposal contractors to ensure contractual arrangements are met where possible.
- Commodity market prices for recycled materials remain low which has impacted on the 2015/16 budget.
- Proposals for potential European and national recycling targets which may impact at a local level, including proposals for a 65% recycling rate announced in December 2015 by the European Commission.

#### **4.7 Hertfordshire Household Waste Recycling Centre (HWRC) Service**

HCC has a statutory obligation as a WDA under the Environmental Protection Act 1990 to provide a HWRC service.

Amey operates the contract in accordance with their bid and are providing an improved customer focussed service.

The changes implemented in early 2015 remain contentious (particularly the van permitting scheme), as such, the status remains as 'Amber' whilst the changes continue to bed in, but improvements in the service provision should mean a change in status to green in the future.

Amey continue to make improvements to the HWRC network and have been actively addressing issues that have arisen as a result of the service changes last year. Residents appear to now be aware of the changes in closure days/hours and the van permitting scheme is being closely monitored and reviewed to minimise abuse of the network.

The indicator is considered to be as an amber RAG rating.

### **Key Achievements and Progress in Qtr 4 (January – March 2016)**

- Complaint levels about the service have dropped by 75% compared to last year.
- Customer surveys and 'mystery shopper' audits indicate that levels of satisfaction are at 84% and at 81% respectively.
- Landfill diversion is just over 70% (with 91 tonnes of material through the new reuse shops).
- Amey processed 20,528 van permit applications in 2015, which is high but not unreasonable, as this amounts to 4.3% of households using vans. Amey have reviewed the application process to minimise abuse of the system.
- Changes made to Letchworth and Hemel Hempstead HWRCs to create more parking spaces and improve accessibility implemented.
- New haulage arrangements for the service commence in June 2016.

### **Key Issues, Risks & Risk Mitigations:**

- Peaks in service demand for centers have always generated complaints and Amey have reviewed all operations to ensure maximum efficiency.
- Communications plan in place to encourage a change in resident's usage.
- Hertfordshire property searching for replacement sites for the Hemel Hempstead, Cole Green, Bishops Stortford HWRCs.
- Commercial waste service is being reviewed by Amey.
- Decline in recycling markets are affecting Amey, but they are mitigating this risk by securing contracts to protect from further falls. This risk fully transfers to Amey in June 2016

## **5. Risks**

Waste Management has one corporate level risk which is as follows:

## **5.1 Residual Waste Treatment (Risk ENV0104)**

On 17 July 2015 the County Council received notification that the application for the Recycling and Energy Recovery facility at New Barnfield had been reconsidered by the Secretary of State following an independent legal challenge by Veolia Environmental Services Ltd (VES) and that planning permission has been refused. Following the Highways and Waste Management Cabinet Panel and Cabinet meetings in November, it was agreed to request a Revised Project Plan (RPP) from VES. VES submitted the draft RP on 7 July 2015 in accordance with the contract. Following evaluation of the RPP a report detailing VES' proposal for an energy recovery facility at Rye House, Hoddesdon, was taken to the Community Safety and Waste Management Cabinet Panel on 4th March 2016 and Cabinet on the 14th March 2016 where a decision was made to accept the RPP in principle. Veolia have commenced work on a planning application for the site.

## **6. Financial Implications**

- 6.1** There are no financial implications arising from this report.

## **7. Equalities implications**

- 7.1** When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the equality implications of the decision that they are making.
- 7.2** Rigorous consideration will ensure that proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EQiA) produced by officers.
- 7.3** The Equality Act 2010 requires the County Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.
- 7.4** No equality implications have been identified in relation to this report although Panel will not make a decision in respect of its contents.

**8. Internal Audit**

- 8.1** There were no high priority recommendations by audit and no Internal Audit opinions were issued in this quarter with a 'limited assurance' or 'no assurance' level.

**9. Background**

- 9.1** None