

INFORMATION NOTE



Update on LCC Cost Sharing Agreement and Lancashire Waste Review

The objectives of the waste review was to:

- Review the efficiency of WCA collection services in Lancashire to ascertain where cost savings can be made both over the shorter and longer term; and
- Assess a range of collection models selected by the authorities to provide an indication of the most cost- effective waste collection solution for Lancashire.

A number of alternative collection schedules we modeled for each authority and ranked in order of which delivered the most savings; 33 different options were modelled in total. The preferred option for Fylde would be a 3 weekly cycle of collections with grey bins on week 1, green bins on week 2 and recycling on week 3. This system of collections would deliver annual savings of £50,000 subject to one off costs of £172,000 for container purchases and implementation costs. This does not include the costs of any replacement vehicles. The savings identified from Fylde's modelling would only cover 7% of the lost cost sharing income. The results of the baseline modelling on the existing service together with the extremely modest savings associated with a move towards three weekly collections demonstrates that Fylde is already running an efficient in-house operation.

The Lancashire wide modelling has concluded that even quite radical service re-design required to generate savings is unlikely to compensate for the loss of cost sharing income from 2018. In all cases generating savings will require service change. Some of the changes that could be introduced may be unpalatable to politicians and public alike and may have a negative impact on recycling performance; potentially increasing waste disposal and treatment costs. Changes that involve the reduction of waste collection frequencies to every four weeks linked with the introduction of chargeable garden waste collections are likely to generate the largest savings.

A number of recommendations from the assessment of alternative waste collection models has been proposed:

- That the modelling of various options is undertaken to provide the cost and waste flow benefits of a single service across the County.
- That the feasibility of a single countywide chargeable garden waste collection service is explored.
- That, if service changes are to be made and these benefit disposal as well as collection, consideration should be given to supporting the changes through:
 - The development of an implementation support fund to contribute towards purchases of, for example, new containers and to support communication activities;
 - Creating countywide post(s) to support service changes (even if only on a fixed term

basis);

- The introduction of food waste collection support;
- That any reduction of waste collection frequencies should be supported by the provision of additional storage capacity to affected properties;
- That with the scale of savings and the likely service changes required to deliver these savings a process of de-politicising the issue should be commenced. It is recognised that this is likely to be very difficult but without it making radical collection changes will be even more challenging.
- That contractual and facility arrangements that may be hindering the development of more efficient services (including any constraints on income generation) should be identified and changed where possible.

Lancashire County Council and the Lancashire Chief Executives will now consider these recommendations in determining if future work will be undertaken as part of the waste review.

FURTHER INFORMATION:

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