



WEST OXFORDSHIRE
DISTRICT COUNCIL

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Name and date of Committee	OVERVIEW AND SCRUTINY COMMITTEE – 17 JULY 2024
Subject	WASTE SERVICE UPDATE AND THE FUTURE
Wards affected	All
Accountable member	Councillor Lidia Arciszewska, Cabinet Member for Environment Email: Lidia.Arciszewska@westoxon.gov.uk
Accountable officer	Bill Oddy, Assistant Director - Commercial Development Email: bill.oddy@publicagroup.uk
Report author	Simon Anthony, Business Manager – Environmental Services Email: simon.anthony@publicagroup.uk
Summary/Purpose	To provide members with an update of current waste services. And to provide a timeline and options for future service design and delivery.
Annexes	None
Recommendation(s)	That Overview and Scrutiny Committee resolves to: <ol style="list-style-type: none">I. Note the contents of the report and provide feedback where necessary.
Corporate priorities	<ul style="list-style-type: none">• Putting Residents First• A Better Environment for People and Wildlife• Responding to the Climate and Ecological Emergency• Working Together for West Oxfordshire
Key Decision	NO
Exempt	NO
Consultees/ Consultation	

1. EXECUTIVE SUMMARY

- 1.1** West Oxfordshire District Council (WODC) has contracted with Ubico for waste collection, street cleansing, grounds and other ancillary services since 1 April 2015. Ubico is a Teckal company wholly owned by its shareholder councils, WODC is a shareholder partner of Ubico. Ubico's contract with WODC is due to end on 1 April 2026.
- 1.2** Ubico's performance, particularly in terms of key waste areas of missed bins and container deliveries has improved significantly over the last 12 months, particularly since the introduction of a shared improvement plan between Ubico and Publica.
- 1.3** The contract requires WODC to notify Ubico of its intentions regarding a future contract before 1 April 2025. This report provides a suite of options for a future contract.

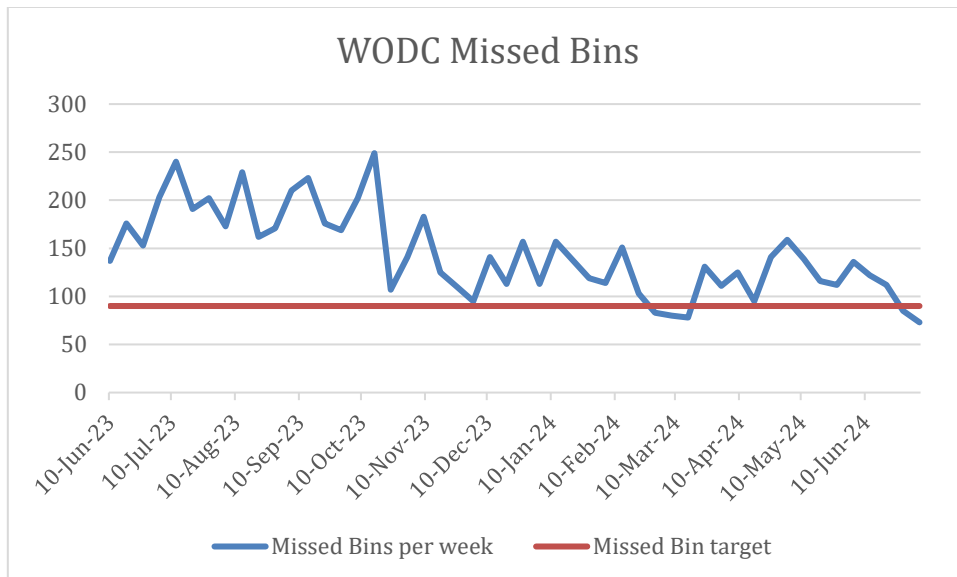
2. BACKGROUND

- 2.1** Arrangements between WODC and Ubico are through a Teckal route, which means WODC are part owners *and* client of Ubico. Teckal arrangements give WODC full control of Ubico to directly award services without the need for procurement, the Teckal approach also means that expensive local authority pension costs are avoided. Teckal contracts allow a significant amount of flexibility between the client and contractor, however contract management can be more difficult as contract charges (defaults) are not normally present in Teckal contracts as this would be equivalent to WODC fining itself.
- 2.2** WODC is part of the Oxfordshire Resources and Waste Partnership (ORWP), which, in summary is senior officers and members working collegiately on ways to deliver key corporate objectives by close partnership working. The partnership has already delivered significant savings on a future recycling disposal contract.
- 2.3** There has recently been a change in national government, this is likely to bring a change to waste management policy. The Labour Party's manifesto was light on waste policy, however it is very likely that Extended Producer Responsibility (EPR) will continue as a policy objective.

3. EXISTING SERVICE DELIVERY

- 3.1** The WODC waste service has improved significantly over recent months. Missed bins and container deliveries are the key metrics often used to evaluate a waste service as these are the two most heavily used areas of the waste service and most likely to lead to an increase in complaints if there are significant levels of missed bins and delays to container deliveries.
- 3.2** In October 2023 Publica and Ubico came together to work collaboratively on missed bins and container delivery improvements. Both parties agreed to an improvement plan which identified key underlying areas that needed attention, weekly meetings were arranged between the Publica client team and Ubico operations, these were used to track progress and set actions.
- 3.3** Table I below shows the impact of these improvement meetings on missed bins:

Table I. Missed bins from June 2023.



3.4 Table I reflects a positive improvement in missed bins, this demonstrates how effectively both Ubico and Publica teams can work.

3.5 Similarly, container deliveries have improved as Ubico is delivering containers typically within 10 working days, this is against a contractual target of 28 working days.

3.6 As the service has stabilised improvement plan meetings have ceased. However, this has allowed the service to focus on more strategic elements in the coming months which include looking at the following items:

- Greening the Fleet and transitioning away from standard fuel vehicles,
- Street Cleansing review
- Round Optimisation modelling
- Zero Based budgeting exercise
- Depot improvements including Fuel bunkering, vehicle wash facilities, vehicle workshop.

3.7 The above listed projects are ESIP (Environmental Service Improvement Plan) projects and are scheduled to be progressed this financial year. The projects are either projected to deliver savings, efficiencies and / or environmental benefits.

4. FUTURE CONTRACT OPTIONS

4.1 The current WODC waste services contract ends on 1 April 2026. As part of a typical end of contract process several options are being considered about future waste service delivery models and design. The review includes how the waste service will be delivered, this means either in-house, Teckal or outsourced delivery. The review considers options around what the service may look like at the doorstep particularly how waste is collected in terms of the bins and boxes offering to residents.

4.2 The end of contract review has started and will start to generate findings in the coming months. A consultancy firm called Activist is supporting WODC with this review. Ubico have been made aware of this work.

5. PARTNERSHIP AND NATIONAL OPTIONS

5.1 WODC is a key partner of the Oxfordshire Waste and Resources Partnership. The partnership is a very active collection of like-minded local authorities who are aiming to find collaborative ways of working to generate savings, efficiencies, environmental improvements, and other corporate objectives. WODC has led a review of strategic container purchasing across the partnership and identified quick wins for neighbouring authorities to make significant savings on their container purchasing. WODC have been named on a partnership contract for sale of recycling material, this joint contract is projected to provide significant savings for WODC, a paper is being prepared seeking approval for this contract.

5.2 The partnership is also considering wider joint working options including:

- Shared back-office software systems,
- Shared container ordering,
- Joint procuring of waste processing facility,
- Shared depot use,
- Share vehicle management including procurement and usage.

5.3 The partnership continues to meet regularly with a strong cross-section of officers and members from each organisation. Meetings range from partnership boards with members, to operations and Health and Safety meetings with junior officers.

5.4 The main certainty for WODC in terms of national policy will be the introduction of Extended Producer Responsibility (EPR) which starts in earnest with local authorities in 2025. EPR will see waste producers (for example manufacturers) paying for their portion of waste services rather than citizens paying through general taxation. Defra is overseeing this new approach to waste funding in the UK and has already begun collecting from producers. Defra is currently reviewing the mechanism by which money will be passed to local authorities. To be clear EPR is likely to have a significant positive impact on WODC's waste budget, however there may be strings attached to this money in the coming years, particularly around how waste services are delivered in terms of collection systems offered to residents.

5.5 Labour's manifesto talks about being "...committed to reducing waste by moving to a circular economy". There is very little detail behind this statement, and it would be challenging to predict with any certainty what actually might come in the future, however a reasonable assessment could advise that a push to reduce general waste collections, i.e. a move to 3 or 4 weekly general waste collections could be seen.

6. ALTERNATIVE OPTIONS

6.1 N/A

7. CONCLUSIONS

7.1 The paper provides Overview and Scrutiny Committee with a high-level review of waste services in WODC and gives an assessment of options for the future and potential contract and partnership options.

8. FINANCIAL IMPLICATIONS

8.1 N/A

9. LEGAL IMPLICATIONS

9.1 N/A

10. RISK ASSESSMENT

10.1 N/A

11. EQUALITIES IMPACT

11.1 N/A

12. CLIMATE AND ECOLOGICAL EMERGENCIES IMPLICATIONS

12.1 N/A

13. BACKGROUND PAPERS

13.1 None submitted, slides on this report will be delivered at the Overview and Scrutiny session.

(END)