

Report to Place Scrutiny Committee

Date of meeting: 27th February 2024

**Portfolio: Contracts, Service Delivery, and Improvements
(Councillor Ray Balcombe)**

Subject: Waste Programme Update

**Officer contact for further information: James Warwick: email: jwarwick@eppingforestdc.gov.uk
(01992 564350)**

Democratic Services Officer:

L Kirman: email: DemocraticServices@eppingforestdc.gov.uk tel:01992 564243)



Recommendations/Decisions Required:

- (1) To note the update on the delivery of the Waste Programme.

Report:

1. The purpose of this report is to provide an update on the progress of the Waste Programme. Epping Forest District Council will end its current waste collection contract with Biffa in November 2024. To do this and maintain its statutory duty to provide a multi-stream waste collection service, three workstreams are being undertaken:

Workstream 1 – The Creation of a LATCO. This option has been identified and approved by Cabinet. The creation of a new waste company owned by EFDC which will launch on the 4th of November 2024.

Workstream 2 - Mobilise a New Operations Centre. To develop and mobilise a new Operations Centre to be used to operate the waste collection service. The Operations Centre needs to be operational by November 2024.

Workstream 3 - Vehicle Fleet. To contract hire a vehicle fleet to deliver the waste collection service from November 2024. This will include developing a vehicle specification, confirming fuel type, expected lifespan and storage and maintenance arrangements.

2. The project requires planning, execution, and coordination of all three workstreams and programme and project management culminating in a fit-for-purpose service ready to provide services to EFDC residents from Nov 2024. A programme board and project steering group has been set up, along with thematic working groups to ensure the project stays on track and it delivered and implemented successfully and on time. The thematic working groups include, operations, legal and governance, suppliers and procurement, ICT, insurance, people, support services, communications, vehicle procurement and operational hub. The working groups are working collaboratively across the Council and supported by external subject specialist.
3. In terms of Workstream 1, the waste company has been registered with company's house, and the articles of association and contract are being drawn up by Anthony Collins Solicitors and workshops have taken place to progress this. An interim Managing Director has been

appointed to the new waste Company, Dave Ward, who brings a wealth and knowledge and experience in setting up and delivering successful local authority waste companies.

4. After engaging with our Members and Leadership teams, we have reached a significant milestone in the project. The name for the new wholly owned company has been determined, Terra Verde Services Ltd (TVS), this company has now been registered with Companies House.
5. Executive Leadership Team are currently discussing nominees for the board of TVS and Anthony Collins Solicitors have prepared a briefing paper on nominee criteria and roles. Anthony Collins Solicitors are also drafting waste collection contract for TVS on behalf of EFDC with input from officers.
6. The TUPE process with Biffa is underway and progressing, EFDC's People Team is working closely with Dave Ward (TVS Interim Managing Director), collecting TUPE information from Biffa in preparation for the transfer of the workforce. EFDC's ICT team are working at pace to ensure the right IT solutions and support is in place for the company ahead of go-live in November 2024.
7. Following a detailed options appraisal, it is likely that other support services (finance, HR, health and safety etc.) will be procured from an external provider as this represents the best value for money for the company. Operational budgets have been developed and being refined, as well as year 1 start-up costs.
8. Workstream 2, the mobilisation of a new operational hub for the new waste company, is making good progress. A full planning application has been submitted and went to District Development Management Committee (DDMC) on 13th February 2024 and planning permission was approved.
9. Architects have been appointed and initial designs have been developed. A contractor has been appointed for the Pre-Contract Services Agreement (PCSA). Design and value engineering workshops as part of the PCSA are underway to determine the final construction costs. Stantec have been appointed as the Employers Agent/Contract Administration role and are helping to support resolution of the final design and construction costs.
10. Workstream 3, the procurement of a new waste fleet has achieved a real milestone for the project by placing the order for the waste vehicle fleet, the contract hire of which has been awarded to Specialist Fleet Services. An 8-year contract hire agreement with Specialist Fleet Services (SFS) has been agreed. Contract hire as opposed to the outright purchase of vehicles is the preferred method of procurement. An independent financial advisor supported EFDC to determine the preferred route of contract hire based on EFDC's requirements.
11. Contract hire provides for:
 - Greater flexibility to switch and change vehicles to fit the changing requirements of the waste service
 - The ability to introduce greener, cleaner vehicles when it is both affordable and practicable to do so
 - Available vehicles ready for the start of operations in November 2024
 - The ability to right size the number of vehicles throughout the life of the contract ensuring value for money and that the very best use is made of all resources
 - The ability to include the maintenance and servicing of vehicles within one more cost-effective agreement

- Vehicle maintenance to take place at the Operations Hub at North Weald Airfield maximising vehicle availability
- EFDC to include the disposal of vehicles within the agreement

Reason for decision:

N/A

Options considered and rejected:

N/A

Consultation undertaken:

N/A

Resource implications:

Work is ongoing with finance to determine and work up budgets for the set up and operational costs that the waste company will occur.

Budget for procurement of waste fleet vehicles approved and order placed for 8-year contract hire agreement.

Value engineering work is currently in progress to determine construction costs of Operational Hub.

Legal and Governance Implications, Relevant Statutory Powers:

The reason for the proposed decision is to ensure EFDC can maintain and appropriately manage its statutory duties around domestic and commercial waste collections.

Corporate Plan Implications:

Key Corporate Plan Objective

Background Papers:

N/A

Risk Management:

Risk register and logs regularly reviewed and updated by the project team.

Equality:

An Equality Impact Assessment was carried out and there was no significant impact.

Key Decision: (if required):

N/A