

Report to the Cabinet



**Epping Forest
District Council**

Report reference: C/036/2006-07.

Date of meeting: 4 September 2006.

Portfolio: Finance, Performance Management and Corporate Support Services.

Subject: Civic Offices - Refuse Collection and Disposal Arrangements.

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Recommendations:

- (1) That a Portable Skip type compactor be purchased for the collection of trade refuse and recycling material from the Civic Offices site to replace the existing eurobins; and**
- (2) That, in order to enable the purchase to proceed, a supplementary capital estimate for 2006/07 in the sum of £15,500 be recommended to the Council for approval.**

Background:

1. The Cabinet at their meeting on 14 November 2005 considered a comprehensive report on the current refuse collection and disposal arrangements, both to landfill and for recycling, expected forthcoming increases in landfill costs and proposals to change the current arrangements at the Civic Offices in order to significantly increase the amount of office waste that is recycled.
2. Arising from that report Cabinet agreed:
 - (1) That in order to enable a higher percentage of the waste generated to be recycled, the present arrangements for refuse collection and disposal and paper recycling at the Civic Offices be changed;
 - (2) That, subject to the satisfactory outcome of a three month trial period, the eurobins presently used for waste collection be replaced with a portable compactor;
 - (3) That in order to fund the budget shortfall for the current cost of refuse collection and disposal, a CSB supplementary estimate of £2,000 for 2005/06 be recommended to the Council for approval;
 - (4) That in order to fund the revised collection and disposal arrangements, a CSB growth bid be made in the sum of £3,200 for 2006/07. (Subsequently approved by the Council).

Trial Period:

3. A trial period with a portable compactor commenced in early December 2005. There were initial problems with the loan compactor and this had to be replaced with another machine which has remained on site ever since at no cost to the Council.
4. The trial has worked well but has however highlighted three main issues:
 - (a) The compactor needs emptying more frequently than originally estimated

thereby increasing the transportation costs.

(b) There are limitations on the amount of bulky items that can be put into the compactor without increasing further the emptying frequency.

(c) The agreement with the Council's existing waste contractor to take the compactor to its recycling facility has not worked out because of their limitations in handling and sorting the material.

5. An alternative contractor has been identified who is in the process of constructing its own materials recycling facility (MRF), which is closer to the Civic Offices. The contractor is happy to take the Council's waste and has guaranteed that the same percentage, between 80-90% will be recycled. Their transportation and processing costs are less than the existing contractor which will help to offset the additional costs of the greater frequency of emptying that has been established.

Costs:

6. At the time of presenting the last report in November 2005 it was thought that renting the compactor was the most cost effective way to proceed.
7. However for various reasons renting is now not considered as financially attractive as outright purchase. Although renting has the benefit of spreading cost it is more expensive over a five-year period, which is the standard rental period for this type of equipment.
8. Outright purchase of the compactor is therefore recommended at a cost of £15,500.
9. In addition to the purchase cost of the equipment there will be annual revenue costs and these are shown below. A comparison is given of the costs contained in the November 2005 report and revised costs if the recommendations in this report are approved:

	Original (£)	Revised (£)
Compactor rental per annum fixed for five years	4,080	-
Transport costs for emptying	3,500	3,640
Disposal costs (based on 50 tonnes per annum)	2,250	2,500
Annual preventative maintenance contract	-	550
Contingency	1,000	1,000
Retention of one eurobin	100	-
Total annual cost	10,930	7,690

10. The savings on the annual revenue budget will be used to pay for the removal of bulky items that cannot be put into the compactor and also for likely additional costs of separating and removing material covered by various regulations either in force or shortly to come into force that cannot be put into the compactor or sent to landfill.

Statement in support of recommended action:

11. Although the proposed change to the use of a portable compactor will cost more than the existing eurobin arrangements, taking into account the initial purchase of the equipment, it will enable a greater percentage of waste material from the Civic Offices to be recycled and will demonstrate the Council's commitment to improving its own performance on recycling at a time when asking residents of the District to do the same.

Other Options for Action:

12. Do nothing and continue with the present arrangements. This would be the cheapest option overall at present but would not increase the rate of recycling of generated refuse. Landfill costs will continue to increase. In revenue terms this option is cost neutral when compared with the compactor proposals if you leave aside the initial capital purchase cost of the equipment.
13. Extend the current arrangements for recycling by introducing more recycling containers within the Civic Offices to separate out the various materials to be recycled. This is not considered a viable option because of the number of additional recycling receptacles that would be required within the offices and the logistics required to pre sort all of the different types of recycled material prior to collection.

Consultation undertaken:

14. No external consultation

Resource implications:

Budget provision: £15,500 supplementary capital estimate for 2006/07.

Personnel: No implications.

Land: Loss of two car parking spaces at the Civic Offices.

Community Plan/BVPP reference: No specific reference.

Relevant statutory powers: Nil.

Background papers: Nil.

Environmental/Human Rights Act/Crime and Disorder Act Implications: Nil.

Key Decision reference (if required): None.