

**Appendices E and F contain exempt information pursuant to schedule 12A of The Local Government Act 1972 and those appendices are therefore withheld from public inspection.**

The exempt information falls within paragraphs 2 and 7A of the exempt information categories contained within paragraph 24 of the Access to Information Rules in the Council's Constitution and contains information relating to the financial or business affairs of any particular person (including the authority holding that information) and information which is subject to any obligation of confidentiality as the appendices contain information about the bids submitted by the tenderers in the ongoing procurement, the costing of the various delivery options and indicators of affordability against the available budget.

**The public interest in maintaining the exemption outweighs the public interest in disclosing that information by protecting information provided as part of an ongoing procurement process to ensure a compliant process and to achieve best value from the contract award.**

## **Environment and Communities Committee**

**26 September 2024**

### **Household Waste Recycling Centres Review – Final Recommendation**

---

**Report of: Tom Shuttleworth, Interim Director Environment and  
Neighbourhoods**

**Report Reference No: EC/08/24-25**

**Ward(s) Affected: ALL**

#### **Purpose of Report**

- 1 This report details the final proposals for future permanent Household Waste Recycling Centre (HWRC) service provision following an update

of previously collated review and feasibility study information, public consultation and the commencement of a procurement for a new operating contract provider.

- 2 The Committee is asked to agree levels of service for the contract period of 7 years (with optional up to 3-year extension period) due to commence provisionally in September 2025 to allow continuity of service provision and to achieve best value for the Council through this procurement.
- 3 The proposals support the Corporate Plan priorities of:
  - (i) Fair - A sustainable financial future for the council, through service development, improvement and transformation and;
  - (ii) Green - A thriving and sustainable place through reduced impact on the environment.
- 4 The report also supports the council's medium term financial strategy in ensuring the affordability of the contract in accordance with councils' budgets and saving proposals while providing necessary capital investment and required maintenance to the household waste centres, ensuring they continue to be fit for purpose and safe for use.

## **Executive Summary**

- 5 The Household Waste Recycling Centre (HWRC) provision in Cheshire East was reviewed due to the need to procure a new service provider, changes such as site closures, population shifts, and improved transport networks. The September 2023 committee decided to conduct a new consultation with a concise list of affordable and deliverable options. This consultation ran for six weeks from May 3<sup>rd</sup>. The consultation received approximately 4,124 responses.
- 6 Four core options for the future of the HWRC service were presented within the consultation material:
  - Option A – HWRC provision to remain as is
  - Option B – Close Poynton HWRC
  - Option C – Close Bollington HWRC
  - Option D – Close Bollington, Middlewich and Poynton HWRCs
  - A sub option of D was proposed which replaced the existing Alsager site with a new site located provisionally in Congleton.
- 7 In summary, the outcome of the consultation is that Option A (maintaining current HWRC provision) was the most preferred, while Option D (closing multiple sites) was the least preferred by those who

responded to the consultation. Additionally, a significant portion of respondents opposed replacing the Alsager site with a new Congleton site and expressed concerns about travel times and the introduction of a booking system.

8 Following the Environment Communities Committee's decision on September 28, 2023, the council initiated a procurement process for a new service contract to operate its household waste recycling centres. All consultation options were included in the procurement, but a single preferred option must now be selected to finalize the procurement and appoint a contractor prior to the expiry of the current contract and in order to achieve savings.

9 The preferred option for HWRC service provision, based on those presented through the consultation, was determined based on several criteria, including long-term affordability, necessary savings, consultant reports, public consultation outcomes, and the ability to provide adequate service to all customers, including those in rural areas. The option aims to ensure efficient and safe service delivery.

10 The preferred option being proposed in this report is as follows;

- Maintaining sites at Alsager, Crewe, Macclesfield and Knutsford (Option D as presented in the consultation process), with extended opening hours until 6pm each day April – September;
- Provision of a mobile HWRC service targeted at rural areas outside 20 minute drive times and areas of suffering with documented increased levels of fly tipping and;
- Retention of the booking system for all sites during peak periods (weekends and bank holidays) plus the same for the mobile service.

## RECOMMENDATIONS

The Environment and Communities committee is recommended to:

1. Note the outputs of the updated independent review of current site provision and the outcomes of the recent public consultation.
2. Approve:
  - a. The permanent household waste recycling centre service provision for the borough, namely four sites located at Knutsford, Macclesfield, Alsager and Crewe,

- b. The permanent closure of the HWRC sites at Bollington, Middlewich and Poynton, and
  - c. A mobile HWRC service serving rural and areas where the collected data indicates that incidents of fly tipping are at an increased level
  - d. Retention of a booking system to be used as described in this report.
3. Delegate authority to the Interim Director of Environment and Neighbourhoods to
- a. Take all necessary steps to implement the approved permanent household waste recycling centre service provision,
  - b. Permanent close the HWRC sites at Bollington, Middlewich and Poynton,
  - c. Continue with the trial mobile household waste centre mitigation measures, until commencement of the new permanent service levels, targeted for September 2025.
  - d. Take all necessary steps to complete the procurement and award of a new contract to a service provider in consultation with the Director of Governance and Compliance,
  - e. Undertake the associated capital site improvement works, and
  - f. Develop and implement a robust operating process for the mobile HWRC service, as part of the future permanent provision in consultation with the Chair and Vice Chair of the Committee.

## **Background**

### Site Locations and Statistics

- 11 The Council has a total of 7 household waste recycling centres across the borough as shown at Figure 1. The Poynton, Bollington and Middlewich sites are currently temporarily closed pending a decision on permanent levels of service provision by this committee.

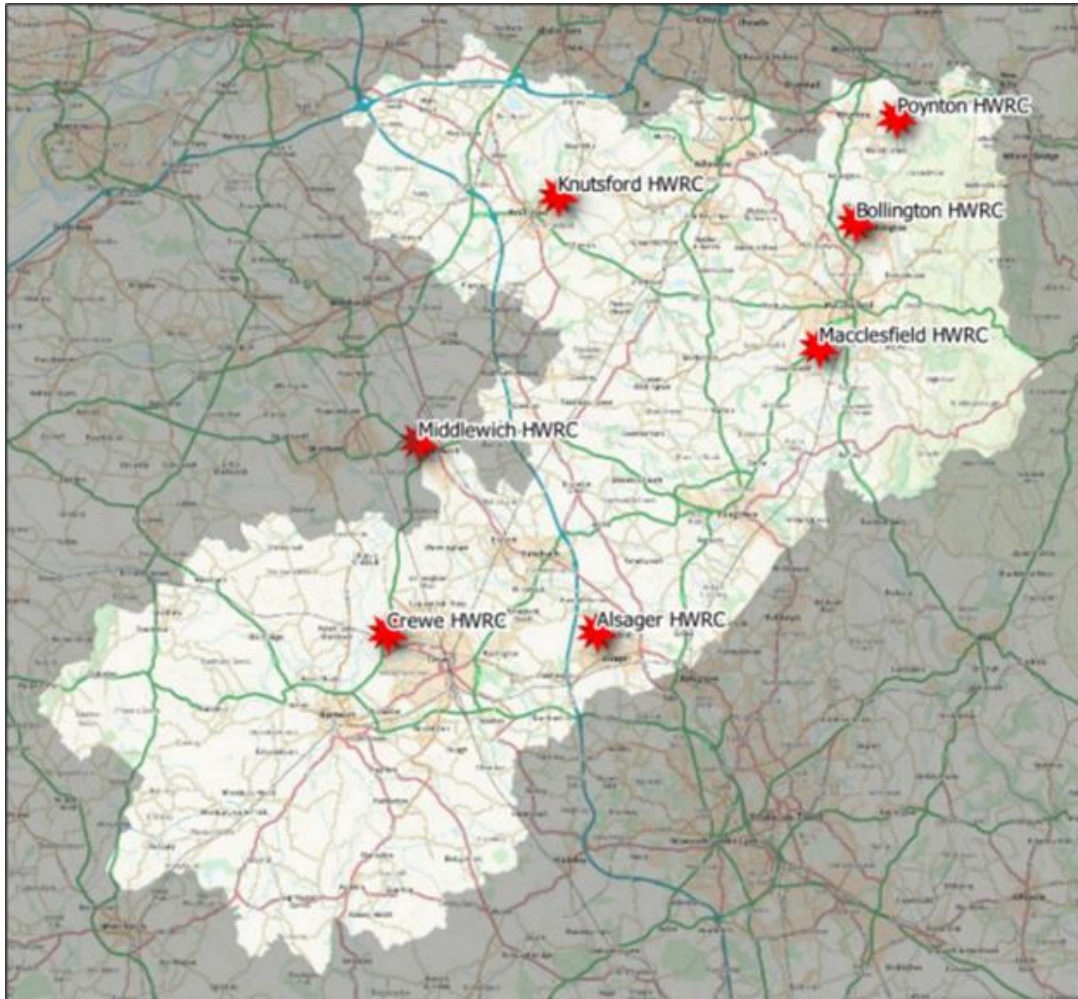


Figure 1: Map of current HWRC site locations

- 12 These sites vary in scale and scope of waste disposal services offered, but all require investment to bring them up to modern standards in particular in relation to staff welfare, security and general user experience.
- 13 The lease on the former Congleton Household Waste Recycling Centre expired in September 2021. The owner of the site confirmed that they intended to use the site for other redevelopment purposes and would not extend the lease on that site. At that point Cheshire East Council had no other option but to close the site at this location.
- 14 Table 1 sets out the key statistics for each of the sites as presented in the base line scenario of the refreshed feasibility report, including the forecasted investment value, excluding appropriate risk and contingency.

Site	Type of waste streams	Average daily users Sept 2023 (% total)	Tonnage Th'put 22/23 tonnes (% total)	Investment value (exc. Risk)
Alsager	Household Waste	523 (15%)	4,238 (15.3%)	£ 157,569
Bollington	Household Waste	301 (9%)	2,442 (8.8%)	£ 142,344
Crewe	Household Waste, Asbestos	915 (27%)	7,413 (26.7%)	£ 264,057
Knutsford	Household Waste,	488 (14%)	3,953 (14.3)	£ 188,068
Macclesfield	Household Waste, Asbestos	672 (20%)	5,448 (19.7%)	£ 188,068
Middlewich	Household Waste	255 (7%)	2,067 (7.4%)	£ 140,538
Poynton	Household Waste	266 (8%)	2,156 (7.8%)	£ 147,356
<b>TOTALS</b>	-	<b>3,420</b>	<b>27,717</b>	<b>£ 1,228,000</b>

Table 1: HWRC site key statistics from Cheshire East HWRC Review Cheshire East Council January 2024

### Evidence Base

15 To ensure a robust evidence base for this decision on HWRC service provision, officers have undertaken the following activities since the September 2023 committee decision:

- An updated set of usage figures for each site, undertaken in July 2024 via a professional survey company, results as per Figure 2.

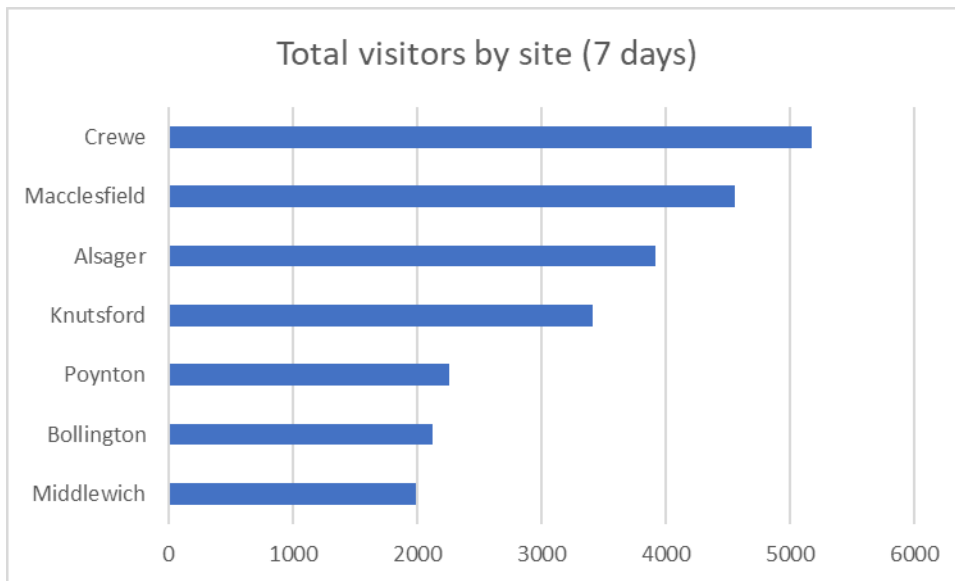


Figure 2: site use survey results for 7 day period during July 2024

- Refresh of estimated capital costs associated with maintenance and repairs to existing sites, Separately, undertake a feasibility study as to the cost of a new HWRC site, to clearly understand the financial implications of any such investment, see Appendix C.

A refreshed review by Resource Futures, an independent specialist waste consultant, of the options approved by committee to understand alignment to statutory guidance, see redacted report at Appendix D.

### Procurement

16 Following the decision of the Environment Communities Committee dated 28<sup>th</sup> September 2023, the council has begun a procurement for a new service contract to operate its household waste recycling centres based on the options that have gone out to public consultation. The Council now needs to confirm service provision to a single option to enable completion of the final stage of the procurement and appointment of a contractor.

- The Contract will be a 7 year contract with an option to extend up to a further 3 years, year on year, hence up to 10 years in total.
- Following legal and technical professional advice the council has designed a competitive dialogue procurement based on the agreed options at the 28<sup>th</sup> September 2023 committee.
- All options included in the consultation have been included within the procurement but these now need to be narrowed down to one preferred option to allow the Council to complete the procurement

and let an operating contract based on a single service provision specification.

- 17 A key aspect of the specification issued, as part of the procurement and eventual contract, will be to promote a focus on the waste hierarchy, as set out within Figure 3.



Figure 3: waste hierarchy diagram

### Programme

- 18 The following is the outline programme of work associated with this review and procurement:

Procurement process – January 2024 - February 2025 (ongoing);

- Public Consultation on proposals were undertaken across a 6 week period between 3 May and 16 June 2024;
- E&C Committee paper - final recommendation for implementation – 26 September 2024;
- Complete the final stages of competitive dialogue procurement process, select successful bidder and undertake all necessary legal and commercial due diligence.
- Enter into new operating contract and subsequent contractor mobilisation period (based on initial soft market testing assumes 6 months, subject to final dialogue with bidders) – March- Sept 2025

A fully developed communications plan has been developed which considers all subsequent stages of implementation.



In order to ensure business continuity Committee has previously given permission for the procurement process to start in tandem with the consultation process and decision on the preferred option. The decision made will by Committee will therefore feed in o the live procurement process and enable to process to focus on a preferred option and move the next step in considering bids on that basis. In order that the procurement process continue so that contract commences as the current contract expires and business continuity be achieved it is necessary that the decision be made urgently and the referral period waived.

### Impacts of previous HWRC closures

- 19 The Authority has historically closed sites at Arclid and Congleton with the latter closing due to being unable to renew the lease. The fly tipping figures at Figure 4 show that there is no direct correlation between a town having a HWRC site and the level of fly tipping. For example in 2023-24, 77% of total fly tipping incidents occur in Crewe, which has a large HWRC site. Congleton which had a HWRC until September 2021 makes up only 5% of total reported incidents.

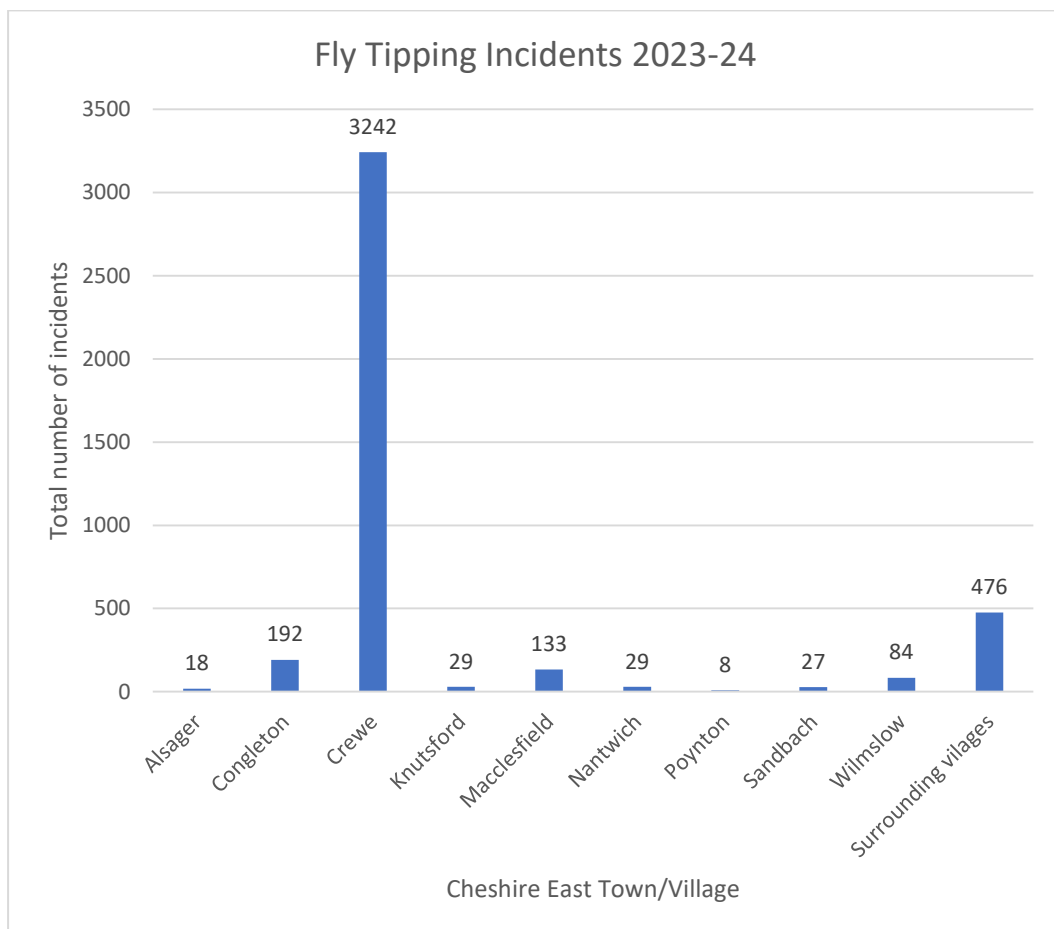


Figure 4: summary by area of fly tipping incidents 2023/24

## Observations from Temporary Closures

- 20 Temporary closures at Bollington, Middlewich and Poynton HWRC sites were implemented on 5th August 2024. Initial observations of the impacts of these closures are as follows, with similar on the trial of mobile service contained later in this report;
- Tonnage difference at four remaining sites compared to previous months and August 2023 It should be noted other service charges affected tonnages between years including the removal of rubble charges in Jan 2024 and the introduction of Mattress and Hard Plastic recycling.

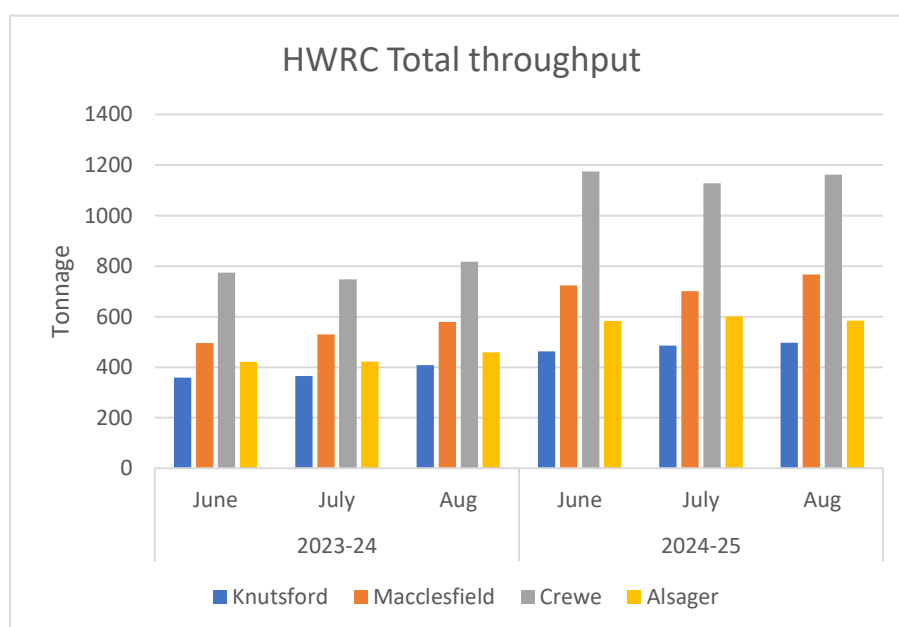


Figure 5: Household Waste Recycling Centre Total Throughput

- Operational observations – use of the extended summer evening opening hours until 6.00pm has initially been limited, although this may need some time for people to be aware of the additional hour. At this stage based on current usage there is no justification to extend further to 7pm. The Macclesfield site has shown an increase in use similar to levels normally experienced at Crewe.

## **Consultation and Engagement**

- 21 Review of HWRC provision within Cheshire East has been consulted on previously but this was based on a number of scenarios which are no

longer relevant due to a range of factors, notably site closures, a changing population and improved transport network.

- 22 As such, the September 2023 committee agreed to undertake a further consultation with a succinct list of options for consideration, with the underlying principle of these being affordable and hence deliverable if selected.
- 23 The consultation ran for 6 weeks between Friday 3<sup>rd</sup> May and Thursday 6<sup>th</sup> June 2024. A full feedback report can be found at Appendix B.
- 24 The consultation was widely promoted as follows :
- Emails to all members, Town and Parish Councils and the relevant Members of Parliament:
  - A range of briefings for stakeholders
  - Press releases, social media updates and banners at the HWRC locations promoting the consultation.
- 25 The consultation received a total of circa 4,124 responses split as follows: 4,066 survey responses, 58 emails, 7 newspaper articles and 1 petition against the closures that at the time had 7,683 signatures.
- 26 Only 74% of respondents had a Cheshire East postcode; the number of responses received from each Cheshire East area can be seen in the table below:

Area name	No. survey responses	Survey response over / under representation
Bollington	306	6.4
Poynton	374	4.7
Alsager	298	3.4
Middlewich	277	3.3
Disley	78	2.1
Holmes Chapel & Cranage	110	1.8
Congleton	218	1.1
Macclesfield	232	0.7
Knutsford	56	0.6
Crewe	85	0.3

Table 2 Consultation responses received from each Cheshire East area.

- 27 In summary the following key statistics can be seen:
- Four core options for the future of the HWRC service were presented within the consultation material:

- Option A – HWRC provision to remain as is
  - Option B – Close Poynton HWRC
  - Option C – Close Bollington HWRC
  - Option D – Close Bollington, Middlewich and Poynton HWRCs
  - A sub option of D was proposed which replaced the existing Alsager site with a new site located provisionally in Congleton.
- Option A was the most preferred option; with Option D as the least preferred option.
  - 56% of respondent's were opposed to replacing the Alsager site with a new Congleton site.
  - 58% of respondents agreed with providing mobile HWRC's for rural areas.
  - 54% respondents felt that a 20 minute travel time was not acceptable.
  - 62% respondents felt that with a 20 minute travel time they would visit the HWRC's less.
  - 63% respondents stated they would visit after 5pm in the summer instead of visiting at peak times such as weekends.
  - 73% of respondents disagreed with the introduction of a booking system.
  - Low proportions of survey respondents stated they would visit their local HWRC as a pedestrian (15%), on a bicycle (9%) or on a mobility scooter (6%).
  - The figure below shows that most respondent's across all sites HWRCs use the sites less than once a month.

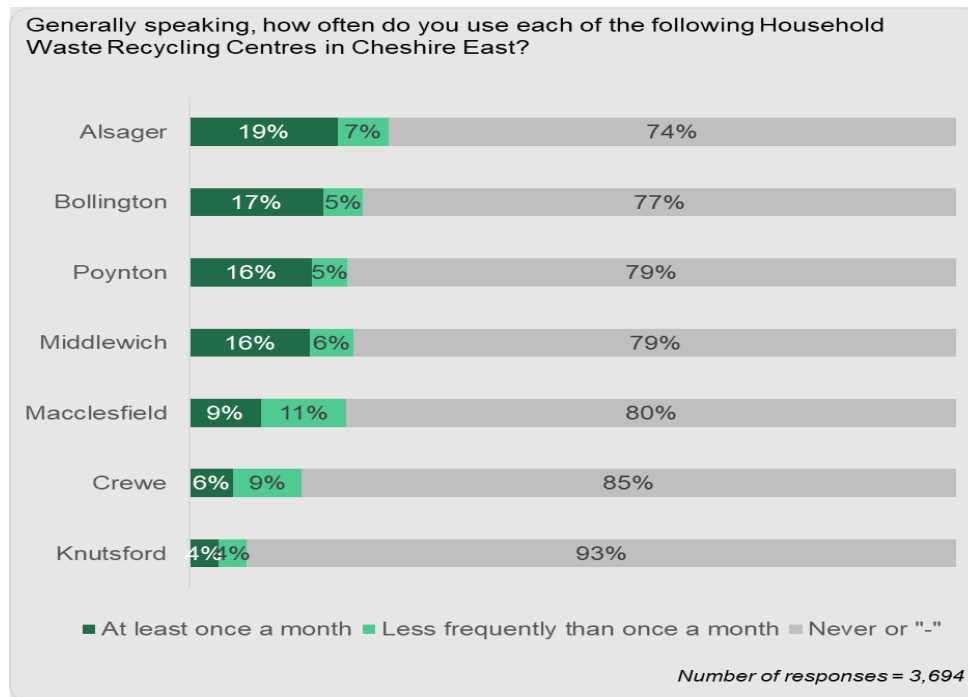


Figure 6 consultation summary of number of visits to a HHWRC

### Engagement with Town and Parish Councils

- 28 Prior to the three sites located at Bollington, Middlewich and Poynton being temporarily closed earlier in 2024 officers engaged with representatives of the respective Town Councils, through meetings and a subsequent series of written communications. This was to offer the opportunity for these organisations to cover the costs of keeping the HWRCs open in the short term. This option to fund continued service provision was considered by the Town Councils, but they chose not to take up the opportunity.
- 29 Further engagement has been undertaken with the same town councils following receipt of the annual costs to maintain service provision for these areas. Due to the scale of the costs quoted none of the organisations felt it appropriate to fund ongoing service provision directly.

### **Preferred Option**

- 30 The preferred option has been arrived at based on the following criteria;
- Affordability of the service in the long term when considering the current financial position of the organisation. Ability to secure the necessary savings as set out within the MTFS, as a minimum and having factored in the cost of borrowing for investment into the sites.

- The output of the consultant report which has considered service provision in the context of national statutory guidance, including the overall geographical coverage within a 20 minute drive time.
- The outcomes of the public consultation undertaken.
- The ability to adequately provide a level of service to all customers, including those in rural and low car use areas.
- From an operational perspective ensuring that the option recommended to be taken forward will provide an efficient and safe customer offer.

### Mobile HWRC

- 31 As part of the mitigation put in place on a trial basis for the temporary HWRC site closures a mobile offer is now operational.
- 32 Resource Futures as part of their review of service provision has also included a series of recommendations and case studies from other local authorities who have employed very similar systems as part of their overall HWRC offer. See report at Appendix D (page 5).
- 33 Trial outcomes to date, level of use, ability to make changes to make more efficient / increase capacity (number of booking slots available per hour) and how these have shaped the final offer – we need to sell this as we are increasing the overall mobile provision based on the initial feedback on the trial and this is costed within the final preferred solution.
- 34 The next stage of the process will be to develop the detail around specific locations for the permanent mobile provision which will be selected using the following criteria;
- Rural locations, defined as outside the 20 minute drive time maps, as included within the consultants report.
  - Areas where the collected data indicates that incidents of fly tipping are at an increased level
  - Where sites are located which can accommodate the safe delivery of the mobile service and where suitable permissions can be secured for this specific purpose.
- 35 It is proposed to operate on an 8 location stop system across a four week window, with one 3-4 hour stop included per location, equating to a morning or afternoon slot once every four weeks. The service will be

delivered on a Saturday and will be applied to all fixed site options under consideration

- 36 This report seeks approval to delegate developing the detail of this offer within the above criteria to officers, to be implemented at the same time as the permanent changes to fixed site provision.

### Booking System

- 37 For the first 4 weeks of the trial of the booking system discretion was given to the staff operating the sites in order that residents attending without a valid booking could continue to use the service. This has provided additional benefits in educating users in terms of the system.
- 38 For the booking system on the HWRC service bookings cannot be made more than one month in advance and a repeat bookings cannot be made until an existing appointment has passed. This is to avoid the potential scenario of a small number of users block booking the system and hence restricting access for others. It is proposed to continue with this approach.
- 39 As the trial processes we will monitor usage to see if we can increase the number of booking slots above the initial level offered. This will be introduced into the ongoing trial and continue to be optimised as the system and its use evolves.
- 40 The feedback from the consultation was that a booking system for HWRCs should not be introduced for all opening hours. In line with the trial the final proposal is to only require a booking for peak periods which would be weekends and bank holidays, hence use during weekdays will not require a booking to attend.
- 41 During the early stages of the current trial period across the four open HWRC sites it has been observed that there has been a shift in behaviours where residents who are able are using the sites outside the periods where bookings are required.
- 42 This ability to drive behaviour change is a key benefit to the booking system and will promote the use of the residual capacity inbuilt into the HWRC service system by encouraging a greater level of use during the traditionally quieter mid-week periods.

### Development of New Site

- 43 The principle of providing an updated cost forecast for developing a brand new HWRC site, potentially for Congleton, was set out as part of the decision made by the Committee in September 2023.

- 44 This updated cost forecast is now contained at Appendix C and amounts to a total of £5.42M, not including the costs of land acquisition which we would expect to take the cost to close to £6million. The only tangible method of financing such an investment would be via prudential borrowing which would have at current interest rates a circa ££463,800pa<sup>1</sup> average repayment cost per annum, which is not currently included in the MTFS.
- 45 Aside from the cost of a new site a series of other significant risks to delivery were set out as part of the update in September 2023. These risks included the availability of suitable sites on which to construct such a site, whilst also considering the ability to secure both planning and permitting permissions.
- 46 The proposal for a new site at Congleton was also included as a sub-option, with any new development to replace the existing HWRC site at Alsager. This proposal was not supported through the public consultation with a variety of reasons stated, but specifically around affordability.
- 47 For the reasons outlined above the development of any new site is not included in the preferred option for approval.

---

<sup>1</sup> Based on a 20 year life/repayment



## Preferred Option – Summary

- 48 In order to capture the impacts in a qualitative way against each option the following matrix has been developed, see Table 2.

Option	Affordability	Secures MTFS Savings	Alignment to Statutory guidance	Consultation - acceptability	Serves rural and low car use areas	Operational Effectiveness
A – retain existing service provision	Red	Red	Green	Green	Red	Green
B – reduce to 6 sites closing Bollington	Red	Red	Green	Yellow	Green	Green
C – reduce to 6 sites closing Poynton	Red	Red	Green	Yellow	Green	Green
D – reduce to 4 sites closing Bollington, Middlewich and Poynton	Green	Green	Green	Red	Green	Yellow
E – as per Option D but new site at Congleton closing Alsager	Red	Red	Green	Red	Green	Yellow

Table 3: Qualitative overview of each option

- 49 Therefore, in summary the preferred option to move forward with is as follows;
- Maintaining sites at Alsager, Crewe, Macclesfield and Knutsford, with extended opening hours until 6pm each day April – September.
  - Provision of a mobile HWRC service within the constraints already referenced.
  - Retention of the booking system for all sites during peak periods (weekends and bank holidays) plus the same for the mobile service.

## Temporary Closures

- 50 For the purposes of clarity the temporary closures of the sites at Bollington, Middlewich and Poynton, the current scope of mobile HWRC provision and the booking system will remain in place until the commencement of the new operating contract and hence the new preferred option service levels.

## Reasons for Recommendations

- 51 The recommendations have been made on the basis of the criteria as outlined at paragraph 30, ensuring that the service remains affordable in the longer term and continues to be delivered in an efficient and effective way both geographically and also in the provision of well equipped modern, safe to use sites.

## Other Options Considered

- 52 The proposed approach to undertaking a review of HWRC services sets out a series of options for consideration for the committee and proposes a recommended option based on affordability within existing budgets.
- 53 The following options were raised through the public consultation but following review by officers have been discounted for the reasons as set out;

### Charge for use of sites

- 54 The Council in its capacity as the waste disposal authority for the borough is not allowed by law to charge for the disposal of domestic waste by residents at HWRC sites.

### Out of borough provision

- 55 The option to utilise sites which sit outside the Cheshire East borough hence are operated by other waste disposal authorities has been considered but discounted on the basis of;
- Primarily and most importantly the review undertaken has focussed on the service need for Cheshire East in line with the prevailing statutory guidance, which it is considered can be satisfied utilising sites owned and operated directly;
  - Officers are aware that neighbouring waste disposal authorities are undertaking similar review of service provision hence would be unlikely to be minded to accept additional waste from out of borough and;
  - There would need to be individual bespoke contractual arrangements put in place with each other local authority alongside waste monitoring systems the ongoing revenue costs and resource implications of which would likely negate any savings.

### Alternative service delivery

- 56 The potential opportunities around devolving the direct operation of the sites to local councils or the potential for them to be staffed by volunteers was raised. Neither of these are realistic proposals as these sites require a range of professional competencies in order that they can be legally and safely operated and also require disposal routes for the waste deposited by residents. It is viewed as very unlikely that community or volunteer led delivery would be able to satisfy these obligations.

### Reducing opening hours across all sites

- 57 Having a larger number of sites, several of which are smaller than the those making up the preferred solution, but with reduced opening hours is an inefficient way in which to deliver a HWRC service. In line with statutory guidance it is viewed as better to have a smaller number of larger higher capacity sites and to encourage behaviours which maximise the use of this overall capacity across the full week.
- 58 A larger number of fixed sites would also increase the overall cost to the Council of initial maintenance upgrade works required to ensure these sites continue to be fit for purpose, as well as longer term maintenance liabilities.

## **Implications and Comments**

### *Monitoring Officer/Legal*

- 59 The Council, as waste authority, has a duty to arrange for places (Household Waste Recycling Centres) to be provided at which persons resident in its area may deposit their household waste (Section 51 of the Environmental Protection Act 1990 ) They must be reasonably accessible to persons resident in its area, open at reasonable times (including Saturday) and available free of charge by persons resident in the area. Although there are no statutory levels of Household Waste Recycling Centre (HWRC) provision, national guidance recommends that the maximum number of inhabitants per Household Waste Recycling Centre is 120,000 and the maximum number of households per Household Waste Recycling Centre is 50,000.
- 60 The Council has gone out to public consultation on a number of options which meet the above criteria, but which will inevitably be provided at varying cost depending on the level of geographical provision. The provision and proposed options for Cheshire East are below the thresholds set out in national guidance.

- 61 Following the completion of the public consultation process a Public Consultation report (Appendix B) has been produced which details the preferences of those who took part in the surveys. The full findings of the consultation have been made available.
- 62 Members should consider the findings of the consultation but in doing so need to bear in mind that the consultation outcome is one of a number of considerations that they need to take into account and that other factors, such as the Council's financial position, the duty to achieve a balanced budget, and the affordability of the various options may be given more weight when reaching a decision on the preferred option.
- 63 The Council has entered into a competitive dialogue process which currently takes into account all of the options, that went out to consultation and detailed solutions have been submitted against each option which include costings. The process remains commercially sensitive and will be discussed in closed session to enable Members to understand the affordability of the various options and make an informed decision about the preferred option being presented to them in this report.
- 64 The planned services commencement date for the new operator is 1 September 2025 and the procurement will proceed on the basis of the decision made by this Committee in order to meet the procurement timescales and achieve business continuity. In order to achieve the deadlines set out in the procurement timeline (which is a live process) such that the contract can be awarded and business disruption avoided, it is appropriate that the decision be made urgently and referral waived.
- 65 The preferred option being presented in this report is the officer recommendation based on overall service provision and affordability. Whilst Members are not bound to follow the officer recommendation, if an alternative decision is made then this needs to be based on sound principles of reasonableness which take into account the need to achieve a balanced Budget.
- 66 In addition to considering the findings of the public consultation, the Committee should also have regard to Equality, Diversity and Inclusion. In this regard, Members should consider the Equality Impact Assessment provided for at Appendix A

## Section 151 Officer/Finance

- 67 The 2024/25 budget for delivering household waste recycling centre service is £2.96m. The current budget for the service is derived from the total costs of disposing of the waste deposited at each of the 7 sites, offset by a nominal amount of income which is generated from materials which can be recycled. This income varies based on the latest market value of recyclates. The cost of disposal relating to residual waste deposited through HWRC sites is part of a separate Energy from Waste contract and falls outside this budget. However, any changes to tonnages either through increased recycling and reuse at HWRC sites or changes to the scope of services provided will impact the residual waste disposal contract costs.
- 68 The 2024/25 MTFS includes a one off saving (MTFS72) associated with the emergency closure of HWRC sites in year of £0.263m, this saving is removed in the 2025/26 year (i.e. added back in as growth), therefore the draft base budget for 2025/26 is £3.2m.
- 69 The cost of mobile HWRC provision, based on the Resource Futures report (Appendix D) is £62,500. This cost includes staffing, additional fuel, advertising of the scheme and management costs. This is based on operating across 8 locations for half a day over 4 Saturdays per month. This cost has been included in the business plan and evaluation of the options contained in the Confidential Appendix F.
- 70 A fly tipping budget allocation is included within business plan to deal with any potential adverse impacts, to be kept under review as proposals implemented.
- 71 The estimated capital costs associated with investment into the existing HWRC sites were included in the approved 2024/25 MTFS/Capital Programme on an invest to save basis and that the final option presented is affordable in the long term.
- 72 It is recognised that the existing 7 sites require a level of investment which with appropriate allocations for risk and contingency. Subject to the options chosen the estimated cost range is £0.8m - £1.2m and the estimate prudential borrowing costs based on 20 a year life range from £103k pa to £160k pa. These costs have been included in the business plan and options evaluation contained in the confidential appendix F.
- 73 The preferred option being presented to Members in this report is to maintain four sites: Alsager, Crewe, Macclesfield and Knutsford. This option includes the provision of a mobile HWRC service alongside the retention of a booking system during peak periods and reflects the

revenue cost of financing the proposed capital investment. The financial evaluation is contained in the confidential Appendix F.

### *Policy*

74 The proposal supports the following [Corporate Plan](#) priorities.

<p><b>An open and enabling organisation</b></p> <p>Support a sustainable financial future for the council, through service development, improvement and transformation</p>	<p><b>A thriving and sustainable place</b></p> <p>Reduce impact on the environment and also;</p> <p>Be a carbon neutral council by 2025</p>
--	---

### *Equality, Diversity and Inclusion*

75 An Equality Impact Assessment has been completed in support of the project and has been updated following feedback received through the public consultation. The updated document is included at Appendix A. No negative impact on the groups in the specific protected groups was recorded in the most recent consultation in May/June 2024 from the proposed changes that have been identified at this stage.

### *Human Resources*

76 There are no human resources implications of this report.

77 All resources to manage the project have been obtained from within the current Council staffing establishment, supplemented by suitably procured external legal, procurement and technical advice where needed.

### *Risk Management*

78 Table 4 summarises the key risks associated with the remaining stages of implementation of the review and its outcomes, together with the mitigations which are or will be in place.

Risk	Mitigation
<p>Tendered contract costs are in excess of available budget.</p>	<p>By considering a number of options during the review process, the final option presented will offer the most economically advantageous option that also meets the requirements of</p>

	in terms of meeting the prevailing statutory guidance and also being affordable in the long term.
Committee decides not to support the preferred option - preventing timely completion of the remaining procurement activity and hence contract award	Background information and costs have been refreshed to allow a timely decision, ensuring that the current operating contract now out of original term is replaced with a new version which is compliant legally.
Committee decides to support another option which is unaffordable.	Savings will need to be identified from another area of the Committees remit to the same value, as part of the decision making process.
Challenge to the procurement process by one or several bidders	The council has made every effort to undertake a fair and compliant procurement process utilising internal procurement financial and legal support assisted by relevant external expertise as required.
Disruption to customers during contract transition and capital works	On advice of external advisors the council has built in a 6 month transfer and mobilisation period to ensure minimum disruption as we transition to this new contract.

Table 4: Risks to Implementation

- 79 As the preferred option does not include the development of a new HWRC site the risks previously reported to the committee in relation to this aspect of the review of provision are no longer relevant.

#### *Rural Communities*

- 80 Proposed as part of the preferred option is the continued and enhanced provision of mobile household waste collection. This will be designed to ensure that it mitigates the impacts of any of the options proposed, but also to further support more rural communities access to this service.
- 81 The details around the mobile provision has been developed as part of the tender specification and will be discussed with potential bidders through the negotiation stage of the contract procurement, as needed.

#### *Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)*

- 82 There are no impacts on these groups as a result of this report.

### *Public Health*

- 83 Cheshire East Council Public Health team have reviewed this report and consider it very unlikely that the proposal will have any direct impacts on the health and wellbeing of Cheshire East residents.

### *Climate Change*

- 84 The Council is focused on promoting the waste hierarchy with waste prevention and minimisation over recycling and finally disposal. While it is understood that for some residents the proposals will require additional drive times, impacts will be partially mitigated by encouraging waste prevention and reuse making it more likely for the public to use local solutions such as reuse shops and reuse apps. Over time the transition to phase out sales of diesel and petrol vehicles will reduce the carbon impact of additional vehicle travel as the country moves to decarbonise transport.
- 85 In addition, the mobile site services rural and low car use areas will provide a positive contribution to these communities and reduce travel from rural areas currently not serviced within the 20 drive time to an existing household waste recycling centre.



<b>Access to Information</b>	
Contact Officer:	Ralph Kemp, Head of Environmental Services
Appendices:	<p>Appendix A – Equality Impact Assessment (post consultation)</p> <p>Appendix B – Consultation report</p> <p>Appendix C – Forecast Capital Cost of New HWRC site</p> <p>Appendix D – Resource Futures report, January 2024 (redacted)</p> <p>PART 2 Confidential</p> <p>Appendix E – Resource Futures report, January 2024 (full)</p> <p>Appendix F – Procurement Preferred Option</p>
Background Papers:	Household Waste Recycling Centres – Review Update, September 2023 <a href="#">CEC Report Template</a> ( <a href="http://cheshireeast.gov.uk">cheshireeast.gov.uk</a> )