

Cabinet

Date of Meeting: 13th April 2021

Report Title: Household Waste Recycling Centre Provision

Portfolio Holder: Cllr Laura Crane – Highways and Waste

Senior Officer: Frank Jordan - Executive Director Place

1. Report Summary

- 1.1. Cheshire East Council is responsible for the management of all household waste within the Borough. This means making reasonable provision for a range of waste management services which enable waste to be re-used, recycled or composted wherever possible, and only disposed of as the last option. Approximately 80% of household waste is collected from the kerbside. The remaining 20% is collected through our household waste recycling centres and bring banks.
- 1.2. Councils are required to provide Household Waste Recycling Centres (HWRCs) which are reasonably accessible to the public. These provide an important waste management service to enable householders to dispose of, and recycle, their excess waste responsibly. The Council currently operates 8 centres across the borough. The current contract for the delivery of these services ends in March 2023. It is to be noted the current facility in Congleton operates on a site leased by the Council which is due to expire in 2021. All other sites operate on land that is under the ownership of the Council.
- 1.3. Minimising waste in the first place is by far the best environmental and economic solution to tackling waste management. The Council's Municipal Waste Strategy, which was approved by Cabinet in 2014, (reviewed 2020) sets out the aims and objectives for the management of waste within the Borough. The strategy acknowledges the national policy direction and legislative pressure to minimise the overall amount of waste produced and to be more responsible in the way waste is managed. Furthermore, the Council's Environment Strategy, which was approved by Cabinet in May 2020 has waste reduction as one of its strategic objectives.

- 1.4. To assist in the commissioning of a new contract the Council has undertaken a review of the current service provision in the Borough. This outlined that the current provision compares favourably with neighbouring and similar authorities to Cheshire East.
- 1.5. In November 2020, Cabinet considered the findings of this review and agreed that a public consultation on the options for the future pattern of provision for HWRCs should be undertaken. The consultation reported that most residents supported the option to keep the current service provision pattern. Notwithstanding the feedback, the lease on the Congleton HWRC site expires in 2021 and so a timely decision is required on future provision in Congleton.
- 1.6. A key consideration for the commissioning of these facilities from 2023 onwards will be the cost of running such facilities in the future which are expected to rise considerably owing to the volatility of the global market for recyclables. Furthermore, keeping the current pattern of service provision across the council would require the council to fund the capital costs associated with replacing the current facility in Congleton. The costs of replacing this facility are estimated to be at least £4m. The council would need to finance this through borrowing and the repayments would lead to an annual cost of at least £250k over 25 years.
- 1.7. Therefore, this report seeks approval for a revised distribution of 7 HWRCs across the Borough by confirming that Congleton HWRC will not be replaced when the lease at the current site expires this year. This would:
 - 1.7.1. Reduce the future running costs of the service, which are expected to rise, therefore improving value for money for the service in the future
 - 1.7.2. Avoid the Council having to find a further £250k of revenue to cover the costs of capital associated with providing a facility in Congleton which is particularly relevant given the ongoing challenges to the Council's finances
 - 1.7.3. Still enable the council to provide a pattern of service provision which more than meets the required minimum level
 - 1.7.4. Supports the Council's Environment Strategy and Municipal Waste Strategy which both have strategic aims of reducing waste across the Borough.
- 1.8. An environmental appraisal seeking to assess the impacts of proposed closure of Congleton HWRC is contained in Appendix 4 of this report. The report concludes that 'the residual impact of closing the Congleton HWRC ranges between minor beneficial to minor adverse' and makes a number of suggestions to reduce these impacts. The Council will monitor usage and consider measures to improve traffic flow at Macclesfield and Alsager sites.

- 1.9. There is a risk that the revised distribution will not fully mitigate the increased cost of running the remaining HWRCs through the new contract. Once market testing of the new contract has been undertaken, it may be necessary to consider further the distribution of sites to deliver the service at an acceptable cost. However, these considerations would be subject to further consultation and a decision that would be taken under the committee system of governance.

2. Recommendations

2.1. That Cabinet:

- 2.1.1. Note that the lease on the current Congleton Household Waste Recycling Centre expires in September 2021.
- 2.1.2. Approve the procurement of the new contract and note that a further decision will be sought to award the contract, confirm the distribution of Household Waste Recycling Centres and their cost.
- 2.1.3. Agree that the Congleton Household Waste Recycling Centre will not be replaced whilst this procurement process outlined at 2.1.2 is undertaken and a decision is taken regarding the overall provision for the Borough and as such the amount indicated in the addendum to the capital programme will remain.

3. Reasons for Recommendations

- 3.1. This decision would support the aims of the Council's Environment Strategy and Municipal Waste Strategy in relation to waste reduction.
- 3.2. A new contract for the delivery of the Household Waste Recycling Centre service in the Borough will need to be commissioned by the end of March 2023. It is anticipated that the cost of the new contract will increase significantly owing to volatility in the global market for recyclables.
- 3.3. The lease for the current Household Waste Recycling Centre in Congleton expires in September 2021. Not replacing the current facility in Congleton would reduce the future running cost of the HWRC service and so partly mitigate the anticipated increased cost of the new contract. Furthermore, it would avoid the cost associated with repaying the capital investment required to deliver a replacement facility at Congleton which is estimated to be £250k per annum.
- 3.4. It is acknowledged that this proposal could result in longer journeys for some residents and an increase in carbon emissions from those journeys. However, the Council's Corporate Plan and Environment Strategy, prioritises waste prevention, reduction and reuse over recycling and disposal, and so this may encourage residents to reduce the amount of waste they produce. Analysis of waste levels at surrounding sites following the closure of Arclid HWRC in October 2017 suggests that not all the waste was transferred to surrounding sites with no significant increase in fly tipping and hence an overall waste reduction.

- 3.5. The revised distribution of 7 HWRCs would result in 96% of Cheshire East households being able to reach a site within a 20-minute drive. There would be approximately one HWRC per 27,000 households and 54,400 residents which remain well within the WRAP guidelines set out below.
- 3.6. Given the level of coverage that would be provided if we moved to a 7 HWRC pattern and the costs associated with replacing the facility at Congleton it is not considered to represent good value for money to proceed with its construction. Furthermore, the construction of a new facility will have environmental impacts in itself.

4. Other Options Considered

- 4.1. There were a range of service provision options that were consulted on in the exercise undertaken.
- 4.2. The Council could construct a replacement HWRC in Congleton, but this is estimated to cost in an initial appraisal of £3 - £3.26 million plus site acquisition costs. Cost would need to be further developed based on any site chosen at design the stage. The annual cost of the capital investment would have to be met from the council's revenue budget. This would mean that savings would need to be found from elsewhere in the budget to accommodate this.

5. Background

- 5.1. The Council has a statutory duty to provide Household Waste Recycling Centres free of charge and that are reasonably accessible to residents.
- 5.2. The Council currently operates 8 Household Waste Recycling Centres in Alsager, Bollington, Congleton, Crewe, Knutsford, Macclesfield, Middlewich and Poynton. The delivery of the service is managed on behalf of the Council by ANSA Environmental Services, a company wholly owned by the Council, with site operations undertaken by HW Martin Ltd and the subcontracted Site Managers.
- 5.3. The current Household Waste Recycling Centre contract will end on March 31st 2023. A 5-year extension was actioned in 2018 and therefore there is no option to extend the current contract further.
- 5.4. The current facility in Congleton is on a site that is leased by the Council. The owner of the site has informed the Council that they will not consider a renewal of the lease. The replacement of such a facility is estimated to cost in an initial appraisal of £3 - £3.26 million plus site acquisition costs which would need to be funded from the capital programme with the annual cost of the capital investment having to be met from the council's revenue budget at an estimated £250k per annum.
- 5.5. An extensive review of the efficiency of the Household Waste Recycling Centres service in 2016 led to the closure of a site, a reduction in the opening hours, the

introduction of a charge for disposing of rubble/construction waste and the opportunity for small traders to use our sites.

5.6. In order to prepare for the end of the contract the Council commissioned a further review in 2020 to:

- Review the existing service, comparing it with neighbouring and similar authorities
- Review the wider waste management market to examine existing contracts and delivery arrangements
- Model a range of scenarios for the future shape of the household waste recycling centre contract.

5.7. It is to be noted that the Waste and Resources Action Partnership (WRAP) published an HWRC Guide in 2012 which recommended that the distribution of centres should:

- Be at 50,000 households per HWRC or less
- Be at 120,000 residents per HWRC or less
- Enable driving times to HWRCs to be up to 20 mins for the great majority of households in good traffic conditions (30 minutes in very rural areas).

5.8. In Cheshire East, the current provision equates to one HWRC per 24,000 households and 47,600 residents, more than twice the recommended distribution. 98% of households can reach a site within 20 minutes in normal traffic. The review highlighted that the current service also compares favourably with neighbouring and authorities that are similar to Cheshire East. This suggests that there is a potential over provision of sites within the borough.

5.9. Residents were consulted on the scenarios identified in the review and asked how they felt about the options being considered and what they considered the impact would be on them. Over 10,200 responses were received. As **Error! Reference source not found.** and 2 show, most residents supported the option to keep the current service provision pattern.

Figure 1 How strongly do you support or oppose each option being considered

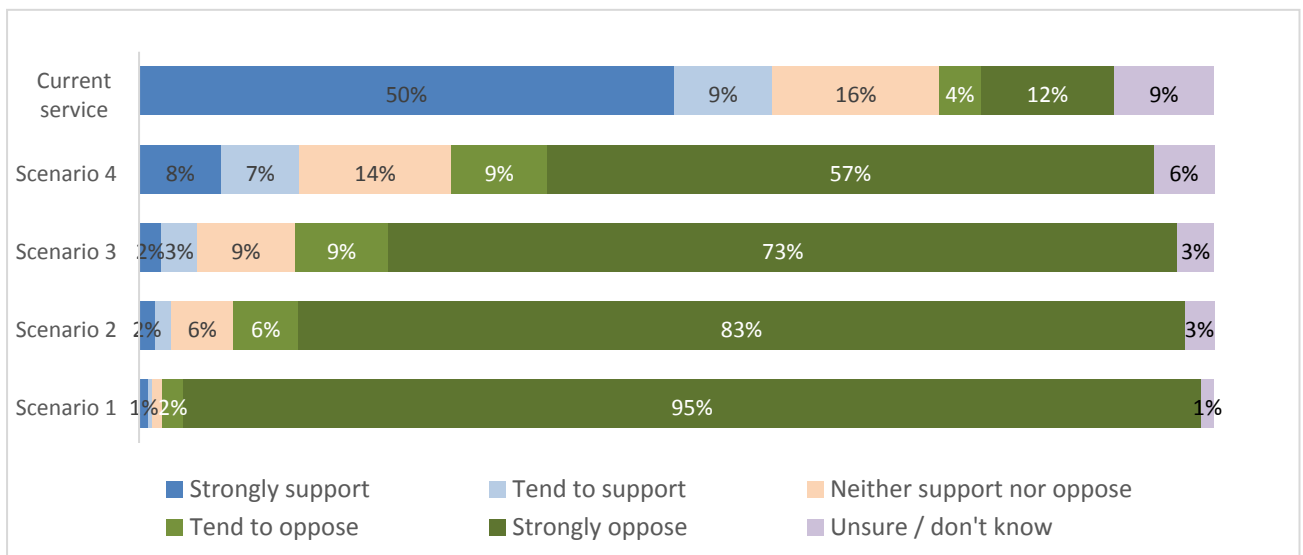
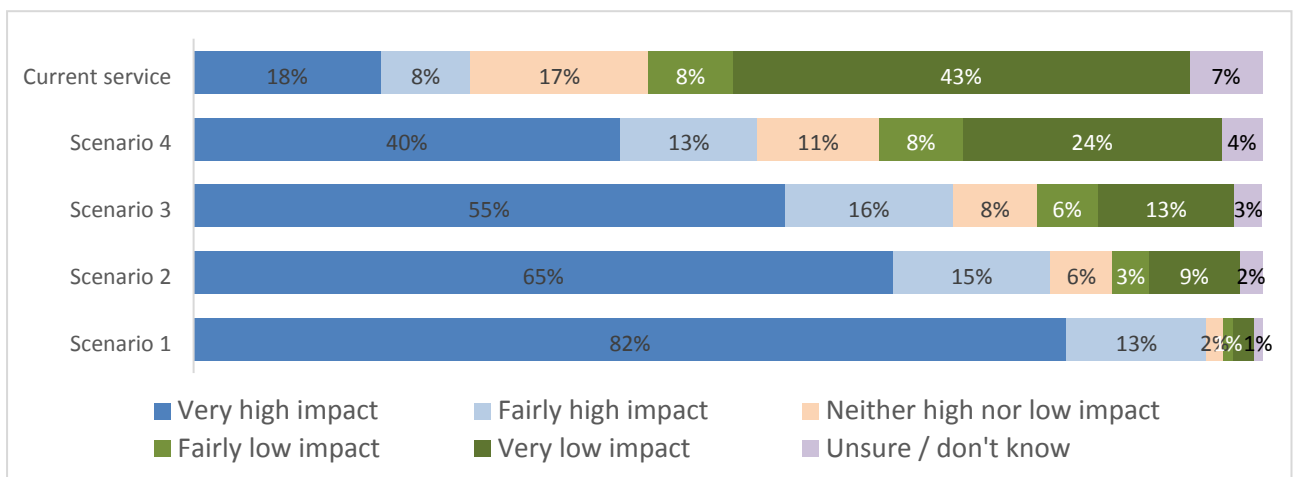


Figure 2 What impact would each option have on you personally?



5.10. Respondents to the consultation were asked to provide comments on what the Council may need to consider as part of this review. The top themes emerging from the comments concerned the environmental impacts that closing sites may cause including fly tipping, increased carbon emissions from longer journeys, pollution and congestion from queuing to access sites, misuse of kerbside bin collections and reduction in recycling rates. Other concerns included the increased time / cost it would take to travel to an alternate site including increased difficulty for those of an older age/ the disabled and increase in demand due to new houses being built. These matters are addressed in the Environmental Appraisal in appendix 4.

5.11. In addressing residents' concerns highlighted in the consultation, an environmental appraisal has been undertaken which can be found in appendix four of this paper. The report concludes that, 'the residual impact of closing the

Congleton HWRC ranges between minor beneficial to minor adverse¹ and summarises the impacts in the table below:

| SEA Objective | Assessment | Impact | Possible Mitigation | Residual Impact |
|--|--------------------------------------|-------------------------|--|------------------------------------|
| Population & Human Health Material Assets | Transportation | Moderate Adverse | Bring sites. The management of fairer access systems. | Minor Adverse |
| Air Quality Population & Human Health | Air Quality | Neutral | N/A | Neutral to Minor Beneficial |
| Climate Factors | Climate Change | Moderate Adverse | Bring sites. Infrastructure Improvements. | Minor Adverse |
| Population & Human Health | Amenity | Neutral | Signage and CCTV | Neutral |
| Employment Social Inclusion | Socio Economic | Minor Adverse | Redeployment and infrastructure improvements. | Neutral |
| Population & Human Health Material Assets | Future Demand & Recycling | Minor Adverse | Bring sites. The management of fairer access systems. Wider infrastructure improvements. | Neutral |

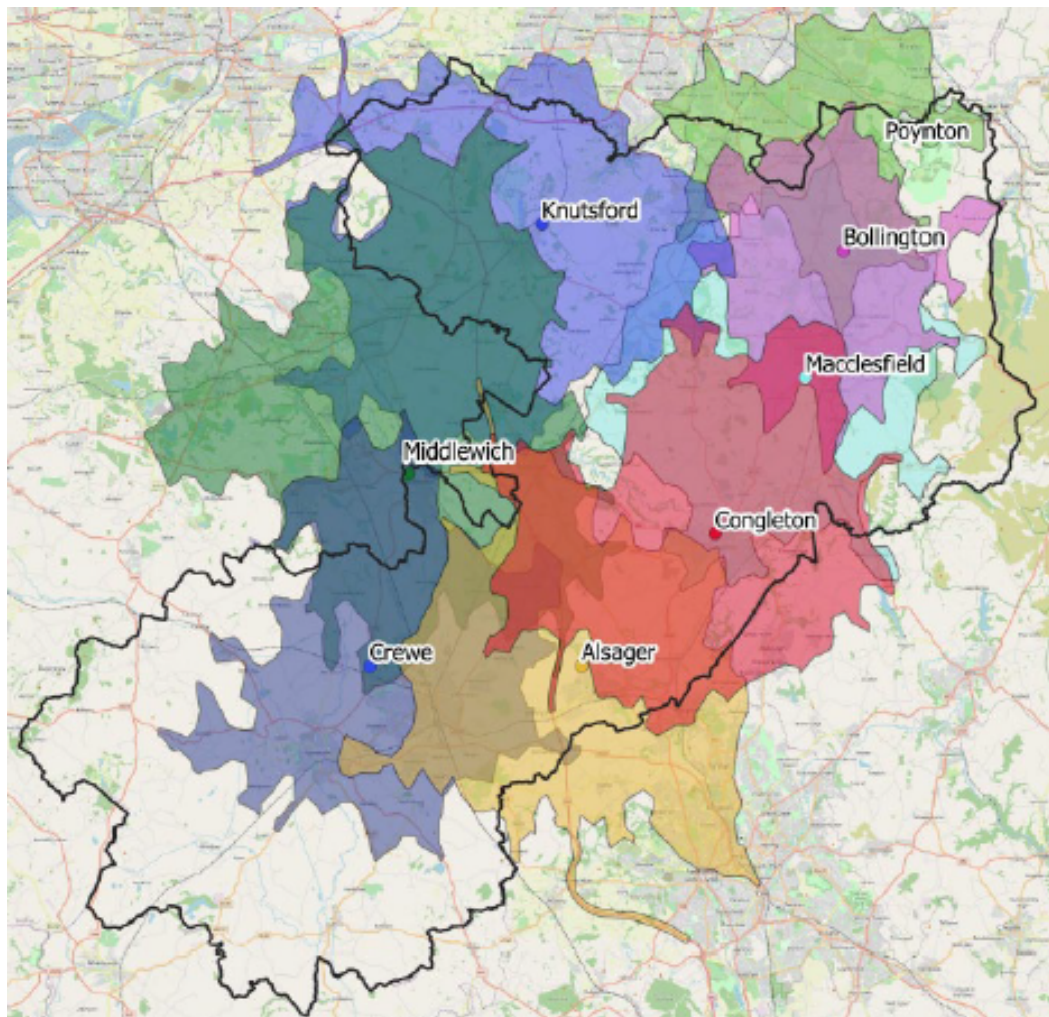
5.12. The appraisal proposes a number of mitigation measures to limit the impacts of closing Congleton. These consist of the provision of additional bring sites in locations 8km or more from the alternate HWRC.; CCTV and signage at Congleton, on closure, to deter against fly tipping; managing fairer access and to monitor the effects of the closure. Review of potential to redeploy staff and review of progress of improvements outlined within the Waste Strategy. The Council will monitor usage and consider measures to minimise congestion at Macclesfield and Alsager sites and look to introduce a change in traffic flow within the site boundary at Macclesfield to accommodate any further traffic. It is noted however that with existing covid social distancing measures at our centres is creating longer queues at some peak times that would be expected in normal operational times.

5.13. Notwithstanding these risks, the key consideration in relation to the future service provision is the future costs of running HWRCs. It is anticipated that the

¹ Resource Futures, *Environmental Appraisal of closure of Congleton HWRC* (2021) p 39

cost of the new contract will increase owing to volatility in the market for recyclables. Not replacing the current facility in Congleton would deliver a reduction in the future contract cost of the HWRC service. Furthermore, it would avoid the cost associated with repaying the capital investment required to deliver a new facility at Congleton which is currently estimated to be £250k per annum.

- 5.14. If Congleton HWRC were not replaced the nearest alternative sites would be in Alsager and Macclesfield. As the map below illustrates, there is currently significant overlap in catchment areas in this area of the borough. Alsager or Macclesfield HWRC is within a 15 minute drive time for the majority of Congleton households.



Current HWRC network and 15-minute drive times

- 5.15. The closure of Congleton HWRC would result in 96% of Cheshire East households being able to reach a site within a 20 minute drive. There would be approximately one HWRC per 27,000 households and 54,400 residents which remain well within the WRAP guidelines set out in 5.7 above.

- 5.16. However, there is a risk that the proposed closure of Congleton HWRC will not fully mitigate the future increased contract cost of operating the remaining HWRCs. Once market testing of the new contract has been undertaken, it may be necessary to consider further rationalisation and review to ensure the service can be delivered within the available budget.
- 5.17. In addition, the new service will investigate technological solutions to ensure a fair use policy such as use of number plate recognition to ensure sites are accessed by Cheshire East residents only. The service will also investigate the potential of a mobile 'pop up' household waste service provision to provide fairer access to waste disposal for communities who are currently disadvantaged. There are examples such as North Yorkshire County Council and Conway County Borough Council providing a mobile service to rural areas which could be a model for our future service provision.

6. Implications of the Recommendations

6.1. Legal Implications

- 6.1.1. Councils must provide Household Waste Recycling Centres. Under [Section 51 of the Environmental Protection Act 1990](#)... it shall be the duty of each waste disposal authority to arrange ... for places to be provided at which *persons resident in its area* may deposit *their* household waste (1) (b). They must be reasonably accessible to persons resident in its area (2) (a), open at reasonable times, including Saturday and available *free of charge by persons resident in the area* (2) (c)

6.2. Finance Implications

- 6.2.1. It is anticipated that the cost associated with running HWRCs will increase owing to volatility in the market for recyclables. At this stage it is to be noted that the future cost of a contract is a future financial risk and will not be known until a new contract has been awarded. Therefore, the Medium Term Financial Strategy (MTFS) for 22/23 onwards will need to reflect the anticipated increase in costs for the 2023/24 financial year together with proposals on how the overall budget can be balanced.
- 6.2.2. The Council's MTFS Capital Addendum contains £4 million for the construction of a new Congleton site, however projects in the capital addendum are still subject to business case approval, in particular considering how the cost of the capital investment would be repaid.

6.3. Policy Implications

- 6.3.1. Household Waste and Recycling Centres support the vision within the Corporate Plan for an open, fairer, greener Cheshire East. The service helps to protect and enhance our environment by enabling the responsible recycling and disposal of waste. The proposal to investigate the feasibility of

a mobile 'pop up' household waste service provision will help to provide fairer access to the service for all.

6.4. Equality Implications

6.4.1. An equality Impact assessment has been undertaken and is included in Appendix 3. The closure of Congleton HWRC will impact all households that currently use the site, but the impact will be the same for all users because all must drive to their nearest HWRC. The current service does not accommodate residents who have no vehicle access, but the new service will seek to provide greater access through additional bring sites and a potential new mobile service.

6.4.2. Concerns were raised in the consultation process about older and less physically able site users having an issue driving further to access a site. The environmental appraisal identifies that the existing facility contained stepped gantry access to the skips that was not considered to be accessible and that an additional drive of 5 to 10 minutes did not introduce an impediment to users of the site who already drive and load/unload their vehicles. Both Alsager and Macclesfield offer a site that is on a single level with no gantries to negotiate with easy access to the skips.

6.5. Human Resources Implications

6.6. The proposal has no affect on Cheshire East and Ansa staffing but may result in staff implications for the household waste centre contactor.

6.7. Risk Management Implications

6.7.1. There is a risk that following soft market testing that an alternative operator will not deliver what we are seeking but we will address this through a thorough commissioning and procurement process that will ensure a quality service.

6.8. Rural Communities Implications

6.8.1. Travel times for some rural residents will increase and though these are within acceptable limits in line with national guidance, the Council recognises this possibility and will seek to provide alternative, mobile facilities in the new contract.

6.9. Implications for Children & Young People/Cared for Children

6.9.1. There are no implications for children and young people.

6.10. Public Health Implications

6.10.1. The Council recognises that some residents will be required to make longer journeys, thus increasing vehicle emissions, to access a centre but anticipate that because of the greater distances that residents will make

fewer journeys. The environmental appraisal identifies that in overall terms, based on the information available, it is considered the affect to be neutral to minor beneficial impact, based on the reduction of 2 HGV collections per day that would no longer be required.

6.10.2. Regarding fly-tipping, the appraisal notes that there is no evidence to suggest that the closure of a household waste recycling centre leads to an increase in litter and fly-tipping. A minor adverse effect has been assumed in the short term if members of the public drive to Congleton and find the site closed, fly tipping instead of travelling to an alternate site.

6.11. Climate Change Implications

6.11.1. Given the significant change in recycling since the previous contract was procured, we anticipate that site performance will be improved and the opportunity to reuse and recycle enhanced.

6.11.2. The environmental appraisal has assumed a complete re-distribution of trips across the network as a worst case, in reality (prior to any mitigation measures being employed) the number of trips are likely to reduce with residents making fewer trips but with larger quantities of materials. Notwithstanding this, overall, the development will have a moderate adverse effect as it will result in higher carbon emissions associated with transport emissions than if the HWRC remained open.

7. Ward Members Affected

7.1. Wards affected

- Congleton East – Cllrs D Brown, R Moreton, D Murphy
- Congleton West – Cllrs S Akers Smith, G Hayes and S Holland

8. Consultation & Engagement

8.1. A full borough wide consultation was carried out in which a range of options for future service provision were considered – there were over 10,000 responses.

9. Access to Information

9.1. The review of the Cheshire East HWRC Network is provided as appendix 1.

9.2. The consultation report is provided as appendix 2.

9.3. The Equality Impact Assessment is provided as appendix 3.

9.4. The Environmental Appraisal is provided as appendix 4.

9.5. The Municipal Waste Management Strategy 2030 and Household Waste and Recycling Centres Review can be accessed from the Council website [here](#).

10. Contact Information

10.1. Any questions relating to this report should be directed to the following officer:

Name: Ralph Kemp

Job Title: Head of Environmental Services