

From: David Beaver, Head of Waste Management Services

To: Susan Carey, Cabinet Member for Environment

Subject: Short term Waste Management bulk transfer station services – Folkestone & Hythe District Council

Decision No: 20/00012

Electoral Division: Folkestone & Hythe District.

Summary: This report seeks agreement to enter into a short-term contract with a supplier to secure Waste Transfer Station facilities for kerbside waste collected by Folkestone & Hythe District Council. A short-term solution is required whilst the service is seeking capital finance to develop infrastructure to provide a long-term solution.

This is to receive, bulk and haul multiple waste streams collected by the Waste Collection Authorities from their weekly waste collection service.

As there is no KCC waste transfer infrastructure in the region, there is a continued requirement to commission Waste Transfer Station services from third parties to deliver KCC's statutory role as Waste Disposal Authority. There are currently no KCC owned Waste Transfer Station facilities in Folkestone & Hythe District, nor mercantile suppliers, therefore a bid for capital finance has been submitted to develop such a facility for the medium to long term.

Recommendation(s): The Cabinet Member for Environment is asked to agree to commission and award a short-term contractual arrangement for a facility to receive, bulk and haul municipal waste to cover KCC's Statutory Requirement as the Waste Disposal Authority.

1.Introduction

- 1.1 Kerbside waste in the Folkestone & Hythe District is currently collected and disposed of through the East Kent Waste Partnership that comes to an end in December 2020. KCC currently has title to residual waste, however, all recyclable waste streams collected, are the title of Veolia. Veolia charge KCC for the disposal of these recyclable materials through the East Kent Waste Partnership agreement.
- 1.2 The title of all material streams is returning to KCC when this contract comes to an end, which means KCC must procure increased waste transfer facilities for the waste collected by Folkestone & Hythe District.
- 1.3 Similar arrangements have now been made through the award of contract to service Canterbury City Council & Thanet District Council. A decision has been made to secure services for Dover District Council, however this is to be re-tendered in February 2020 along with this proposed tender.

2 The Report

- 2.1 Waste collected in Folkestone & Hythe District Council is currently disposed of through a small transfer station at Ross Way, Folkestone and the larger Ashford Transfer Station – there are no Transfer Station facilities in this District, as such a capital bid for infrastructure has been submitted to develop a facility.
- 2.2 This short-term contract will serve the district independently, with the contract to be implemented from November 2020 when the current contractual partnership expires. The tenure of this contract will last up to four years. A Prior Information Notice (PIN) was issued in August 2019 seeking interest from the market. Market interest was obtained from suppliers outside of the district boundary.
- 2.3 As the East Kent Waste Partnership comes to an end in December 2020, the title of recyclable waste materials returns to KCC; these materials will be added to the scope of this contract. KCC will secure additional final disposal contracts for these recyclable materials as part of its commission programme.
- 2.4 Suppliers will need to provide facilities, planning consents and be permitted to receive, bulk and haul materials to KCC's designated final disposal points. Annual tonnage of waste collected in this district was 36,602 tonnes in 2018/19.
- 2.5 There are no mercantile facilities or potential suppliers operating in the Folkestone & Hythe District, which means that KCC is legally obligated to recompense the collection authority for the additional costs associated with tipping waste outside of the district boundary. Known as tipping away payments, this compensates a district for the additional costs associated with extra vehicles, labour and running costs. There is a loss of productivity for the collection service due to extended drive times to discharge waste. Current tipping away charges payable to Folkestone & Hythe District Council are £207k per annum.
- 2.6 As there is no tipping facility within the district, and dependant of where the short-term facility is located, these costs are likely to increase until a new facility can be built as there is no mercantile operator in the district and the current small transfer site at Ross Way, Folkestone will cease. Bid evaluation will consider the additional tipping away charges in the financial / cost evaluation of qualified tenders.
- 2.7 Waste is currently delivered to two sites; Ashford Transfer Station for the residual and food waste and Ross Way depot, Folkestone, for the mixed dry recyclables. Both facilities are unsustainable due to respective capacity and conditions issues. A single delivery point is sought to deposit these waste streams by waste collection vehicles, materials are then bulked and hauled to KCC's final waste disposal points.

3. Financial Implications

- 3.1 Indicative contract expenditure is funded, in part, through existing operational waste management budgets. However, there is a budget pressure that has

been incorporated into the medium-term plan as the current arrangements are known to be below current market value.

- 3.2 Waste Management has worked closely with Strategic Commissioning and has tested market interest. Mercantile gate fees and transportation costs are well understood in East Kent.
- 3.3 Annual costs for such a service, which accounts for the anticipated tonnage and haulage to multiple destination points is in the region of £950k per annum.
- 3.4 Additional tipping away charges will be payable to this district, until such a time that a facility can be developed within the district boundary. These costs are incorporated into the existing budget and medium-term financial plan.

4. Legal Implications

- 4.1 Under the Environmental Protection Act (EPA) 1990, as the Waste Disposal Authority, KCC has a legal obligation to provide a waste disposal service. The Landfill (England & Wales) Regulations 2012, require local councils to increase recycling and composting of household waste.
- 4.2 EPA section 51, paragraph 10 states that a Waste Disposal Authority shall pay to a Waste Collection Authority a reasonable contribution towards expenditure incurred by a WCA in delivering waste pursuant of a direction under S51 (4)(a) above to a place which is unreasonably far from a WCA's area.

5.0 Equalities and Data Protection implications

- 5.1 An EqIA has been completed. This service does not affect those with protected characteristics as it is a business to business non-customer facing operational service.
- 5.2 Data Protection implications – initial screening is that a full DPIA will not be necessary as no personal data is collected for the tendering or operation of this contract.

6. Conclusions

- 6.1 Under the Environmental Protection Act 1990, as the Waste Disposal Authority, KCC has a legal obligation to provide a waste disposal service.
- 6.2 A short term contract is required to receive, bulk and haul 36,302 tonnes of waste per annum which covers residual, bulky and mixed dry recyclable materials.
- 6.3 Tipping away charges are likely to increase as it is high unlikely that mercantile transfer facilities will be available within the District
- 6.4 In anticipation of a successful capital award, KCC will commission the design and construction its own infrastructure to serve Folkestone & Hythe District

Council enabling KCC to avoid all tipping away charges and meet the expected housing and waste growth across the area.

7. Recommendation(s)

Recommendation(s): The Cabinet Member for Environment is asked to agree to commission and award a short-term contractual arrangement for a facility to receive, bulk and haul municipal waste to cover KCC's Statutory Requirement as the Waste Disposal Authority.

8. Appendices

Appendix A – Proposed Record of Decision.

9. Contact details

Report Author David Beaver

- David Beaver, Head of Waste Management Services
- Telephone number 03000 411620
- Email address david.beaver@kent.gov.uk

Relevant Director: Simon Jones

- Simon Jones Director, Highways Transportation and Waste
- Telephone number 03000 411683
- Email address Simon.jones@kent.gov.uk