

From: Susan Carey, Cabinet Member, Environment
Barbara Cooper, Corporate Director, Growth, Environment and Transport

To: Environment and Transport Cabinet Committee – 15 September 2020

Decision No: 20/00091

Subject: Approval to commission and award a contract for the provision of Waste Compactors

Classification: Unrestricted

Past pathway of paper: N/A

Future pathway of paper: For Cabinet Member Decision

Electoral Division: Affects more than two Electoral Divisions: East Kent areas.

Summary: To seek approval to procure the renewal of waste compactors for Kent's Household Waste Recycling Centres (HWRCs) and an associated maintenance service.

Recommendation:

The Environment and Transport Cabinet Committee is asked to consider, endorse or make recommendations to the Cabinet Member for Environment to provide authority to the Corporate Director for Growth, Environment and Transport to approve the expenditure for the replacement of waste compactors, with a service and maintenance contract at Kent's Household Waste Recycling Centres (HWRCs) as shown at Appendix A

1. Introduction

- 1.1 This report outlines the commissioning activities for the replacement and installation of new compactors for Kent's Household Waste Recycling Centres (HWRCs).
- 1.2 The Compactor Replacement Programme commenced in 2018 to build, install new and remove old heavy-duty compactors used to optimise haulage for various waste streams from East Kent's HWRCs. It was not possible to repair the current assets as some are over 30 years old and it is no longer safe or economically viable to do so. In some cases, compactors had become operationally critical; failing more regularly, had failed, or had a high chance of complete failure. .
- 1.3 Safety critical works were undertaken initially, with phase one focusing on the ten compactors that had failed or were imminently failing. A second phase is

focussed on the replacement of essential compactors which are near to or at end of life.

2. Financial Implications

- 2.1 The replacement programme was initially funded by £400k revenue money for the compactors which had failed towards the end of 2018.
- 2.2 A Capital fund of £1.07m was secured in 2019 for the remaining assets which was spread over a 3-year period 2019 – 2022; the Capital fund has sufficient monies to complete the programme and is ring-fenced for this work and sits within the current Capital budget.
- 2.3 Using Tactical Procurement, KCC Waste Management undertook a competition with compactor manufacturers which could meet the high quality, bespoke specification that KCC requires.
- 2.4 The approximate values of the compactors sourced through Tactical Procurement are dependent upon their specification, with costs ranging from £25,000 for a static unit up to £57,000 for a two-tier traversing unit.

3.0 Policy Framework

- 3.1 The proposed decision meets the policy objectives of,

Strategic Delivery Plan 2020 – 2023 regarding:

- Outcome 2 - securing sustainable infrastructure & 8b. delivering the Council's Capital Programme

Kent Joint Municipal Waste Management Strategy (KJMWMS) 2018/19 to 2020/21, to reduce waste and meets the following outcomes:

- By 2020/21, the KRP will recycle and compost at least 50% of household waste tonnage
- By 2020/21, the KRP will ensure no more than 2% of Kent's municipal waste ends up at landfill.

The Kent Waste Strategy 2017 – 2035, regarding the following Priorities:

- Priority 1 The Environment: We will deliver services which mitigate impacts on or from the environment and climate change.
- Priority 4 HWRC Service Delivery: We will provide a cost-effective service, which meets the needs of our customers.

4.0 The Report

- 4.1 KCC's waste compactors are used to pack different waste streams; Household, Wood, Paper and Card etc. at Household Waste Recycling Centres to ensure the haulage of this waste is the most efficient it can be whilst being transported to its end destination.
- 4.2 Typically, the waste stream can be condensed by 70% allowing more waste to be brought into the site from householders and producing a financially efficient and cost-effective onward haulage solution.
- 4.3 The compactors which KCC use are bespoke to handle the significant amount of waste that is deposited in them. KCC use three different types of heavy-duty machines for the various waste types, built to a high standard and delivered and installed on site.
- 4.4 The Authority's waste compactors assets are now beyond repair, with some over 30 years old. Waste Management, and most recently Biffa Municipal have repaired these assets to a point where it is no longer safe to do so, nor economically viable or feasible.
- 4.5 Some of the compactors in 2019 became operationally critical and were either failing more regularly, had failed, or had a high chance of complete failure where service would be affected.
- 4.6 The replacement programme resulted in two implementation phases due to the length of time to build and install the compactors; the first phase was to address the failed or safety critical compactors with immediate activities to resolve the issue, these were revenue funded.
- 4.7 For this initial phase a competition was undertaken, through Tactical Procurement with Thetford International being commissioned to build the first tranche of compactors.
- 4.8 The second phase is to replace the remaining essential compactors which are likely to fail within the next two-three years and to introduce a repairs and maintenance service agreement following the expiry of the warranty period.
- 4.9 For phase two, Strategic Commissioning advise that a contract may realise savings using bulk buying power in addition to an appropriate repair and maintenance contract post warranty.
- 4.10 KCC Waste Management has set up a renewal reserve which will ensure that when these replaced compactors come to their end of life, there will be funding in place to cover the cost of any subsequent replacements.

5.0 Equalities Impact Assessment and Risk Assessment

- 5.1 The Equality Impact Assessment highlighted that there was a potential impact to persons with disabled or maternity/pregnant protected characteristics.
- 5.2 This is particularly relevant for residents with a disability or pregnant (or post pregnant) who may be unable to use the steps on the single tier traversing compactors. Or, where there is also the two tier and static machines due to them having a shelf and lip to the machine. Although this is a health and safety feature to prevent users falling into the machine or touching any working parts, it may preclude people who are unable to stretch over the shelf to dispose of their waste.
- 5.3 The HWRC Providers working methods and risk assessments should negate the likelihood of this happening by helping site users who may need it.

6.0 Options Considered and Dismissed

6.1 Option 1: Do nothing and be unable to compact waste at the East Kent HWRCs. This is not a viable option as:

- waste will quickly exceed the containment on site and breach permit regulations on storage of waste;
- the Environment Agency will suspend the permit if waste is not managed correctly which may lead to site closures;
- increased loads and haulage costs for any transported loose waste;
- more frequent change over of containers where site may close or stop operations leading to queues and reputational damage
- increased risk of accidents due to aged and fragile working machinery;
- Additional traffic on highways resulting in increased carbon footprint;
- Potential contractual service failure through unable to meet KPIs;
- Transference of reliance on other plant and machinery to 'tap-down' waste;
- There will be a requirement to manage the increased demand from population and housing growth over the coming years.

6.2 Option 2: a full commissioning activity is undertaken. This option should encourage economies of scale as it would allow a bulk order to be placed which would complete the Replacement Programme by 2022. This is the recommended option

7.0 Conclusion

7.1 Without effective waste compactors to process waste effectively, KCC cannot meet its Statutory Duty as the Waste Disposal Authority (WDA) to operate sustainably.

- 7.2 Not replacing compactors will result in the revenue budget being adversely affected as haulage costs will increase significantly. Contractual obligations and prices would also be adversely affected as a result of maintaining the service with failed compactors.

Recommendation

The Environment and Transport Cabinet Committee is asked to consider, endorse or make recommendations to the Cabinet Member for Environment to provide authority to the Corporate Director for Growth, Environment and Transport to approve the expenditure for the replacing of waste compactors, with a service and maintenance contract at Kent's Household Waste Recycling Centres (HWRCs) as shown at appendix A.

8 Background Documents

Appendix A – Proposed Record of Decision
Appendix B - Equalities Impact Assessment Screening Report

9 Contact details

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