

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Streetscene & Engineering Cabinet Board

2 March 2018

Report of the Head of Streetcare

M. Roberts

Matter for Decision

Wards Affected: All Wards

EXTENSION OF CONTRACT FOR THE HOUSEHOLD WASTE AND RECYCLING CENTRE (HWRC) AT PWLLFAWATKIN WASTE MANAGEMENT FACILITY, PONTARDAWE

Purpose of Report

- 1 To seek approval for a one year extension for the contract with FCC Waste Services (UK) Ltd. for the provision and management of the Household Waste and Recycling Centre (HWRC) at the Pwllfawatkin Waste Management Facility, Rhyd-y-fro, Pontardawe.

Executive Summary

- 2 FCC own and operate the HWRC and the adjoining landfill site at Pwllfawatkin. Some Members may recall that following a board report on the 23rd April 2015, the contract with FCC was extended for three years until the 31st March 2018, and there is now a need for a further extension of the contract from the 1st April 2018.
- 3 The provision of facilities is a statutory obligation under the Environmental Protection Act 1990. There are two other sites located in the County Borough at Briton Ferry and Cymmer and these are owned by the Council, although also operated by FCC under a separate contract which was subject to competitive tender. As FCC own the site in Pwllfawatkin they are the only company that can offer the service, hence the need to consider a single tender submission for that site.

Background

- 4 The HWRC in Pwllfawatkin deals with approximately 3,400 tonnes of waste per year and provides facilities for a range of wastes.
- 5 The Pwllfawatkin HWRC, which is provided and managed by FCC, recycles or composts 63% of all waste deposited at the site, although this does not compare favourably to the Council owned sites in Briton Ferry and Cymmer, where 74% of all waste deposited is recycled. FCC run all three sites but the facilities at Pwllfawatkin are more limited.
- 6 As the Pwllfawatkin site is privately owned and operated, only FCC can offer services at the site and therefore, for services to continue, the Council must consider acceptance of a single tender.
- 7 Last time when the acceptance of a single tender was considered the context was that no suitable alternative sites could be identified. However, Powys County Council (PCC) have now constructed and opened a new purpose built, modern recycling facility in Lower Cwmtwrch, which sits on the border with Neath Port Talbot County Borough.
8. As has been well publicised, the Council needs to make savings in order to balance the books going forward, and the Council's Forward Financial Plan which has recently been subject to consultation, includes for savings to be made in respect of Household Waste and Recycling Centres. Furthermore, Welsh Government is encouraging Councils to collaborate and work together in order to make savings.
9. Officers from this Council have been in dialogue with colleagues from Powys who have in turn been in discussion with the operator of their Household Waste Recycling Centre at Lower Cwmtwrch. The dialogue has identified that savings can be made for both Council by collaborating in the provision of a joint site.
10. To optimise the savings and provide for advance notice of service changes for residents, it has been identified that such joint working would best commence in April 2019, albeit this would mean the £100K estimated savings included in the Council's FFP being delivered a year later than originally hoped for. Joint working from April 2019 would however also provide opportunity for Powys

Council to bring operation of the site in-house if that were needed to optimise savings.

11. It is noted that planning permission for the Pwllfawatkin Landfill site, to which the current HWRC is associated, was due to run out in 2017 but has been extended by the site operator FCC for a further two years only. The continued existence of an HWRC at the site after this time is therefore uncertain beyond 2019.
12. It is therefore proposed to accept a single tender quotation from FCC for operation of an HWRC at Pwllfawatkin for a further one year only and give notice of the intention of closing the site at the end of the contract on 31st March 2019. In the interim officers will draw up proposed formal arrangements for joint provision of the facility at Lower Cwmtwch from 1st April 2019.
13. Moving the Council's HWRC to the new site will improve recycling performance and be cheaper for the Council. At present, people who live near to Pwllfawatkin have direct access to a HWRC facility, whilst others living within the county borough but near to the border with Powys (and their site at Lower Cwmtwrch) have to drive around 15 to 20 minutes to access Pwllfawatkin. Under the proposed joint working the situation in terms of travel for residents would simply be reversed.

Financial Impact

- 14 The current costs per tonne of dealing with waste at the HWRC in Pwllfawatkin will be subject to indexation, with an overall cost increase of circa £15,000, and costs would be met by the waste budget.
- 15 Further to the agreed Forward Financial Plan, by changing to joint provision in the upper Swansea Valley with Powys, the Council will achieve savings in relation to HRWC provision, albeit from April 2019 as opposed to April 2018 as hoped for.
- 16 The facility at Lower Cwmtwrch site has better facilities and a higher rate of recycling, which will help boost this Council's recycling rate and thereby assist in avoiding fines associated with failure to achieve the statutory recycling targets.

Equality Impact Assessment

- 17 A Screening Assessment has been undertaken to assist the Council in discharging its Public Sector Equality Duty under the Equality Act 2010. After completing the assessment it has been determined that this proposal does not require an Equalities Impact Assessment.

Workforce Impact

- 18 There are no Council workforce impacts associated with this report.

Legal Impact

- 19 The provision of HWRCs is a statutory obligation under the Environmental Protection Act 1990. Under the proposal in this report, savings will be made going forward whilst three facilities will be maintained within the County Borough.

Risk Management

- 20 If the action set out in this report is not taken, there is a risk to the continuation of a facility in the upper Swansea valley with future expiry of planning permission for the Pwllfawatkin Landfill site and associated HWRC.

Sustainable Development

- 21 This report has a positive impact in relation to Sustainable Development. The proposed collaboration between councils will allow for service provision at lower cost for both councils and improved recycling rates for Neath Port Talbot, whilst overall transport movements in the upper Swansea valley are expected to be neutral.

Consultation

- 22 There is no requirement under the Constitution for external consultation on this item, although the Council's proposed FFP savings with respect to HWRC in the upper Swansea valley have been subject to consultation as part the council's budget plans.

Recommendation(s)

It is recommended that:

- 23 Further to Contracts Procurement Rules 2.1 (5) and 3 (x), Members approve a negotiated extension to the existing contract with FCC Waste Services (UK) Ltd. for one year, from 1 April 2018;
24. Notice is given to FCC that the Council intends to cease operation of the HWRC facility at Pwllfawatkin from the end of the contract extension;
- 25 Officers draw up formal arrangements with Powys regarding sharing their facility in Lower Cwmtwrch from 1 April 2019 and bring a further report back to Members concerning the detail.

Reason for Proposed Decision(s)

- 26 To facilitate savings and increased recycling whilst at the same time securing the continuation of a HWRC facility in the upper Swansea Valley for NPT residents.

Implementation of Decision

- 27 The decision is proposed for implementation after the three day call in period.

Appendices

- 28 None

List of Background Papers

- 29 E & H Report – Waste Strategy Update, April 2015

Officer Contact

- 30 Mr Andrew Lewis, Waste and Neighbourhood Services Manager.
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