



CABINET - 3RD APRIL 2024

SUBJECT: REFURBISHMENT OF TWIN PACK ORGANICS COLLECTION VEHICLES

REPORT BY: CORPORATE DIRECTOR FOR ECONOMY AND ENVIRONMENT

1. PURPOSE OF REPORT

For Cabinet to consider a proposal to provide funding for the refurbishment of 9no Twin Pack Organics Collection Vehicles to bring them to a standard that will see them operational through to 2027 and align with the potential implementation of the draft Waste Strategy that is currently undergoing public consultation.

2. SUMMARY

- 2.1 As Cabinet is aware, a Waste route map and draft Waste Strategy has been agreed and is currently out for public consultation.
- 2.2 As part of considering the Waste Strategy and its implementation date, there is still a requirement to support the current front line service arrangements for how waste is collected prior to any proposed changes scheduled in the strategy for 2027.
- 2.3 Food and garden waste collections are currently undertaken by specialist narrow chassis, rear steer, twin pack refuse collection vehicles (RCV's). While the new Waste Strategy will improve collection services, we will need to bridge a gap between 2024-2027 where the food and garden waste collections are covered in the interim period by the existing vehicles that the Authority currently owns/leases.
- 2.4 There is therefore an urgent need to ensure food and garden waste collections are not compromised during this 3 year interim period. Food and garden waste collections consist of servicing circa 80,000 domestic and commercial properties per week within the borough or 4.2 million annual collections. To compromise the service would cause reputational damage to the Authority.

- 2.5 The 9no existing vehicles are now beyond their economic life and experiencing significant downtime due to continual repairs. There are regular instances where multiple vehicles cannot be utilised daily which causes disruption to service users. As such an urgent refurbishment programme is required.
- 2.6 From 2027, it is proposed that there will be changes to how food and garden waste are collected so any new twin pack vehicles purchased now would become obsolete from 2027.

3. RECOMMENDATIONS

- 3.1 Cabinet approve the request for funding of £148,253.84 for refurbishment of the existing twin pack collection fleet for the reasons outlined in the report.
- 3.2 Cabinet agrees that the cost of £148,253.84 should be funded from unallocated capital earmarked reserves.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To future proof the service for the next 3 years to bridge the gap between current operations and the implementation of the new Waste Strategy. This would be a cost-effective implementation which would provide a significant level of cost avoidance to the Authority over the 3 year period by negating the necessity for expenditure on new vehicles and also reduce exposure to the risk of additional failure to the fleet.

5. THE REPORT

- 5.1 A new Waste Strategy has been developed and is currently out to public consultation which is due to end on 29th April 2024. This strategy details how waste collection services are being considered to operate as we move forward to the Welsh Governments' Towards Zero Waste initiative by 2050. The strategy is aimed at improving recycling targets that have unfortunately remained static over recent years whilst Welsh Government targets have risen. The recycling target for 2024/25 is 70% whereas Caerphilly is currently operating at around 62%.
- 5.2 Food waste is a significant contributor to overall waste arisings but unfortunately Caerphilly's participation has been one of the lowest in Wales languishing at around 40-50%. Promotional campaigns and approval for the provision of a 12 month trial for free caddy liners to residents have given rise to an increase in participation with latest figures showing that food waste tonnages have risen by circa 60 tonnes in February 2024 when compared to February 2023. This is a significant improvement that will bode well for improving recycling rates as we move forward given that food waste, if not recycled, would generally be located within the contents of the residual bin.
- 5.3 Increased tonnage attributed to the food & garden waste vehicles will also place additional stress on an aging fleet of vehicles that are currently reaching 7-8 years old and the commencement of what would normally be a renewal programme. However, given that a new strategy has been developed it would not be prudent management of resources to replace the current vehicles at a cost of circa £220,000 each at current costs for them to then be redundant in 2027 when the new strategy is to be implemented.

- 5.4 The current twin pack vehicles are bespoke to meet Caerphilly's requirements i.e narrow chassis and rear steer, with 70/30 split collection bays. These type of vehicles are not readily available on the hire market.
- 5.5 To bridge the gap between 2024-2027, the proposal would be to run the existing fleet for what in effect is an extended 3 year period to their life span until 2027 when they would then be surplus to requirements.
- 5.6 It is proposed to fully refurbish the 9no twin pack RCV's to extend their life and ensure they will be roadworthy for a further 3 years. The refurbishment would include vehicle maintenance and repairs such as brakes, sensors, wiring looms, hydraulics, panel repairs etc. Other than tyres there are no exclusions. The vehicles have been fully assessed by a specialist fleet contractor and any items that need repair have been listed in a condition survey report.
- 5.7 The sum required to undertake the full refurbishment is £148,253.84 as a total cost for all 9 vehicles. This sum includes a 10% contingency for any unforeseen repairs that could manifest when works have commenced. This proposal would provide a cost-effective solution to maintain food and garden waste service delivery for the next 3 years and bridge the gap between 2024-2027 when the new Waste Strategy can be implemented which will significantly lower the Authority's carbon footprint following implementation.
- 5.8 The alternative cost would be commissioning the build and purchasing of 9no bespoke twin pack vehicles at a cost of circa £1.98m. These would then become surplus to requirement after 3 years.
- 5.9 To do nothing would have serious implications for delivery of service including significant delays in collections due to loss of vehicles as a result of breakdown and inflated costs resulting from overtime working when collections are delayed in the normal working day.
- 5.10 The current twin pack fleet, given its age, is now requiring increased levels of maintenance works resulting in multiple vehicles being off the road at the same time which in turn compromises service delivery to the public with delayed collections of food and garden waste.

5.11 CONCLUSION

- 5.11.1 The proposal if approved will achieve significant cost avoidance in future spend for the food & garden waste service over the next 3 years as a specialist vehicle replacement programme would be avoided.
- 5.11.2 The proposal will also provide additional resilience to the food & garden waste service for the next 3 years alleviating significant risk to the service with regard to breakdowns which leads to negative public perception.

6. ASSUMPTIONS

6.1 There are no assumptions attributed to this report.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

7.1 An Integrated Impact Assessment is not required for this report.

8. FINANCIAL IMPLICATIONS

8.1 To undertake the refurbishment programme to the current owned vehicles at a cost of £148,253.84 (which includes a 10% contingency over the quoted refurbishment costs) would result in cost avoidance in terms of a vehicle replacement strategy where 9no new vehicles would be required over a 3 year period at a cost of £220,000 per vehicle. Additionally, the new strategy planned for 2027 is likely to require a different type of vehicle to undertake collections.

8.2 It is proposed that the required funding will be met from unallocated capital earmarked reserves.

9. PERSONNEL IMPLICATIONS

9.1 There are no personnel implications associated with this report.

10. CONSULTATIONS

10.1 The consultees listed below have been consulted on this report and their views have been incorporated accordingly.

11. STATUTORY POWER

11.1 The following statutory powers, are identified:

- Environment Protection Act (1990)
- Revised Waste Framework Directive (2018)
- Environment Act (2021)
- Waste (Wales) Measure (2010)

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