

Capital Programme Review 2016-17 Project Appraisal Form

BID Number	Environment Bid 6
COMMITTEE	Environment
PROJECT TITLE	Waste Strategy – Container switch

DETAILS OF PROJECT

In October 2015 the Environment Committee will review a proposal for revised refuse & recycling services with effect from April 2017.

Recommendations include the switching of green and black bins to help promote recycling. For example, a current standard bin-set of Green 240-litre (refuse) and black 180-litre (recycling) would be switched so that the larger, green bin becomes for recycling and the smaller, black bin becomes for refuse

However, some households do not have a standard bin-set e.g. have a smaller, green refuse bin but do not recycle so have no black bin. Such a household would need to be provided with a 180-litre black bin for refuse, and have their small green bin swapped for a 240-litre recycling bin.

An initial sample survey suggests that up to 20% of households do not have a standard bin set. It is estimated that this might cost from £30,000-£50,000 to accommodate within the bin-switch project.

Further work is needed to quantify the need and decide the project roll-out plan (options are to roll out gradually during 2016/17 or to roll out upon launch of new services from April 2017).

In the meantime, therefore, this bid is submitted in order to secure necessary funding up to £50,000 should the bin-switch be approved.

FINANCIAL SUMMARY

	£,000	Comments
Total Scheme Capital Costs	50	
Internal Sources of Capital Funds Identified	50	Waste Repairs & Renewals Reserve
External Funding Identified	0	
Capital Reserves Needed to Finance Bid	0	
Annual Ongoing Revenue Savings as a Direct Result of the Project	n/a	
Annual Ongoing Revenue Additional Costs as a Direct Result	n/a	It may be noted that replacements for lost, stolen or damaged bins

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of the Project		will continue to be required after any bin switch. These would continue to be funded through existing capital and revenue programmes for bin replacements.
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BASELINE CRITERIA

State which criteria(s) are met and why. Leave blank any which are not met.

Investment that will achieve Key Priorities	Yes. Sustainability (by providing refuse and recycling containers for kerbside services, which would be enhanced by the adoption of the current proposals) and Visual Appearance (by providing comprehensive waste containment in good repair).
Investment required to meet Health and Safety or other new legislative requirements.	Yes. The provision of Council-approved, standardised, good quality waste and recycling containers is central to our adherence to health & safety procedures.
Investment required for the business continuity of the Council.	Yes. Without containers refuse, recycling and litter bin collections cannot be maintained. The Committee report for the new service proposals advises that the new service would be less effective without a green/black bin-switch. The bin-switch is likely to be strongly supported by Members, having already been the subject of one separate report to the Environment Committee.
Investment that will improve service efficiency including cost savings or income generation.	There may be some long-term cost saving as the weekly collections proposed in the new services will result in bins being less full when empties. However, the actual effect of this may not be known for some years.
Investment identified in the Council's Asset Management Plan.	Wheelie bins will remain subject to the need for replacement of lost, stolen or damaged items and require continuation of the Council's current capital and revenue budgets for this.

PRIORITISATION

State which one of the four prioritisation categories are met and why.

1	Investment essential to meet statutory obligation.	Yes. Unable to meet statutory obligation to collect waste without the provision of containers.
2	Investment Important to achieve Key Priorities.	Yes. Sustainability (by providing refuse and recycling containers for the proposed, enhanced kerbside services) and Visual Appearance (by providing comprehensive waste containment in good repair).

3	Investment important to secure service continuity and improvement.	Yes. Services cannot be delivered without suitable containers. Each year, some containers are lost, stolen or damaged so must be replaced or we will be unable to provide services to those residents.
4	Investment will assist but is not required to meet one of the baseline criteria.	

RISK

1	Risks of delivering to timetable and cost	<p>A formal bin-switch plan has not yet been formalised. The project may be delivered in one of two ways:</p> <ol style="list-style-type: none"> 1. A full bin survey on all four routes, with the number of bins required quantified up front, and the bin-switch effected coincident with the launch of the new services (phased launch proposed starting April 2017). 2. Residents advised of the change during 2016 and asked to contact the Council in advance if they do not have the required bin-set. Any non-compliant households would then be dealt with on demand at launch. <p>The Committee report advises that officers will assess and details operational plans at a later date. In any event, the same number of bins would be required, which a previous survey on one route suggested would be £30,000-£50,000.</p> <p>There is only a low risk of wheelie bins being unavailable: bins are usually easily obtainable with delivery times as short as 3-4 weeks or less. Even when difficulties arise, such as a run on wheelie bins following the DCLG's Weekly Collections Support Scheme in 2012/13, officers' excellent relationships with bin supplier usually result in the swift provision of bins.</p>
2	Consequences of not undertaking the project	<p>The Committee report on the new service proposals advises that without the bin-switch there are risks of:</p> <ul style="list-style-type: none"> • Failure to maximise recycling performance. • Failure to achieve financial forecasts. • Additional refuse disposal costs being levied on residents through SCC element of Council Tax

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		<ul style="list-style-type: none"> Problems with overflowing bins/side waste. <p>Officers therefore consider the green/black bin-switch to be axiomatic with the new service proposals.</p>
3	Alternative Solutions (Other solutions considered – cost and implications)	As above, officers do not consider that it would be appropriate to launch the proposed new service arrangements without a bin-switch.

A	Project outcomes and benefits	Maximise the potential of the proposed new refuse and recycling collection service. Potential long-term benefit of lower wear and tear on bins due to lower weights collected via weekly collections.
B	Project scope, what is included / excluded	This budget relates solely to the provision of necessary bins to allow the green/black bin switch as described in the Details of Project (page 1)
C	How does project fit within service objectives	<p>Helps to safeguard key objectives of the proposed new service:</p> <ul style="list-style-type: none"> Maximised recycling. Minimised cost to the Council. Minimised cost to residents. Avoidance of excess/side waste problems.
D	Consultation required - who and when	There is continuous consultation about these services with residents, operatives, officers, members and suppliers. A full resident communications plan will take place for any approved service changes.
E	Availability of project management resources	A separate, revenue provision for launch communications, to include bin-switch operations, is being prepared for the new service project as a whole.

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Time scale - What is proposed timetable for completion of the project? Give estimated start dates for each stage of the project.

	Target Date
1. Design & Planning	End of 2015/16
2. Tendering (if necessary)	Not required. Bins will be purchased through existing frameworks and any other operational requirements included within the overall service launch communications plan are unlikely to require tendering.
3. Project start date	April 2017 or before depending on method chosen (see section Risk (1) on page 3).
4. Length of Project	Dependent on above and agreed new service phasing but likely to be completed by end of June 2017.
5. Project Finish Date	As above, likely by end of June 2017.

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Contingencies

None. Containers are generally freely available unless there are specific issues such as the DCLG effect in early 2013, as noted above. Even then, supply has never been critically affected. It is highly unlikely that wheelie bins and litter bins will become unavailable.

While, as stated above, a full bin survey may be required in order to establish the final value of bins required, officers believe that this £50,000 bid is likely to cover the top end of our requirement.

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Accountable Officers, for the project planning and execution

Jon Sharpe

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Ward(s) affected

All.

CAPITAL EXPENDITURE (£000's)

L1	Estimated cost of works and/or equipment	50
L2	Consultancy or other fees	0
L3	Total Scheme Costs (L1 + L2)	50

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L4	External Sources of Finance (amount and detail)	0			
L5	Net Costs to Council (L3 – L4)	50			
L6	Spend profile, £000s	2016/17 (estimated – subject to full evaluation and agreement of launch style)	2017/18 (estimated – subject to full evaluation and agreement of launch style)	2018/19	2019/20
		25	25	-	-
L7	Have External Sources of Finance Been Considered (details)?	None available. Officers have considered requesting funds from the Surrey Waste Partnership but have been advised that funds would not be available for such a project.			
L8	Revenue Implications (full year cost/ savings and detail)	n/a			
L9	Can Revenue Implications Be Funded From Committee Base Budget (details)	n/a			

Accountable Officers for the project appraisal

Project Manager Name and Signature Jon Sharpe

Date 30 September 2015

Chief Officer Name and Signature

Date

Whole life revenue costs of capital project

The attached Financial Appraisal Form **MUST** be completed for all capital projects that are being submitted as spend-to-save schemes. It should only include changes to expenditure and income that will result from the capital project. Seek guidance from Corporate Finance if necessary. Where savings or budget virements are being used to part fund a project, the relevant budget manager must sign the appraisal form.

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Accountable Officers for the revenue implications of the project

Project Manager Name and Signature n/a

Revenue Budget Holder Name and Signature n/a

Service Accountant Name and Signature n/a

Chief Officer Name and Signature n/a
