
**REPLACEMENT OF THE RECYCLING FLEET FOR RESIDENTIAL
COLLECTIONS**

REASON FOR THE REPORT

1. To provide the Committee with an opportunity note and discuss the Cabinet paper titled 'Replacement of the Recycling Fleet for Residential Collections' in advance of it being presented at the Cabinet meeting in July 2023.
2. The report will recommend that the Cabinet approve the phased purchasing of a new recycling collection fleet over a three-year period with a value estimated at £9.7 million.

STRUCTURE OF THE PAPERS

3. Attached to this report are:
 - Appendix 1 - Cabinet Report
 - Appendix A – Total fleet requirement for the delivery of recycling and waste collection services to the residents of Cardiff.

BACKGROUND (points 2 – 7)

4. The current fleet of recycling and Refuse Collection Vehicles (RCVs) were procured in 2013/14 via a contract hire agreement. At the end of the agreement in 2018/19, the vehicles were purchased and maintained by Central Transport Services (CTS).
5. A proposal to upgrade the fleet was made, and in 2021/22 Refuse Collection Vehicles (RCV's) for 'residual and garden waste was completed. However, a decision in relation to food RCVs was deferred until there was clarification on how kerbside segregated recycling would be collected.
6. Following the recycling pilot it was decided that the following vehicles would be needed to support the delivery of the Recycling for Cardiff Strategy:

- Split back RCV's to collect both containers (tins and plastics) and mixed paper & card.
 - Top loader vehicle, with noise insulated interior, for collection of glass.
 - Top loader vehicle, with sealed plastic interior, for collection of food.
7. **Appendix A** to the Cabinet report provides a breakdown of the 78 vehicles required to deliver the service across Cardiff.
8. **Point 7** notes that of the 34 electric vehicles the service currently has, 12 are Refuse Collection Vehicle's.

ISSUES (points 8 – 21)

9. Currently the preferred solution is to purchase the replacement vehicles needed, these will then be leased from CTS, who will provide ongoing support, from within the service areas budget.
10. During the pilot was being undertaken a number of vehicles were leased five vehicles of these the smaller 7.5 tonne vehicle will be kept to support collections in more rural areas. And the remaining vehicle returned at the earliest opportunity or used in areas where there are a number of flats.
11. While the service would like to transient to electric RCV's the capacity for recharging at Lamby Way is limited. As a consequence, some vehicles will be purchased and others leased to allow flexibility to replace any diesel vehicles with electric when possible and off hiring of any vehicles when not needed.
12. All vehicles will have diesel engines that comply with Euro VI emission standards.
13. Procurement will be via a direct award to the manufacturer and the conversion via the Halton Housing Framework which provides a cost saving to the authority.
14. Delivery of the vehicles will be around a year following the purchase date, so capital investments is needed in 2024/25 and 206/27 for the phased purchase proposal.

Financial Implications (points 28 – 35)

15. The option to lease or purchase vehicles outright needs to be continually reviewed in line with a number of considerations to ensure the best value for the council at all times. The issues to be considered include:
 - Type of vehicle
 - Use of the vehicle
 - Approach to maintenance
 - Period the vehicle will be used for
 - Replacement strategy
16. As well as the capital (Invest to Save) budget to purchase the vehicles there also needs to be sufficient revenue to support vehicle maintenance.
17. The Cabinet report proposes £7.1m is used to procure vehicles in the current financial year, 2023/24, with an additional £2.6m in 2025/26.

Legal Implications

18. **Points 36 – 42** set out the legal requirements that council needs to take into consideration which include:
 - Advice from Legal Services regarding the **Call Off** process in the Framework agreement for Call Off contracts and the responsibility of the Service Area.
 - The need for further legal advice in respect of future **Office Decision Reports (ODRs)** if necessary
 - And in general duties with regard to the **Equality Act 2010**, the **Well-Being of Future Generations (Wales) Act 2015**, **Welsh Language Measure (Wales) 2011** and Welsh Language Standards.

Property Implications

19. .None noted in **point 45**

HR Implications

20. None noted in **point 46**

RECOMMENDATIONS TO CABINET

21. The Cabinet report will recommend:

- Approve the procurement of new recycling collection fleet over a three-year period with a value estimated at £9.7M.
- Approve the award of an initial contract (as set out in the report)
- Delegate authority to the Director of Economic Development subject to consultation with the Cabinet Member for Finance, Modernisation and Performance and the Cabinet Member Climate Change, s.151 Officer and Director Governance and Legal Services and Monitoring Officer, to deal with future award of contracts (and any ancillary agreements) as required in relation to this procurement.

22. The report also provides the explanation for these recommendations as:

- To support the programme of service improvements in recycling performance as identified in the Cardiff Recycling Strategy 2022-25.
- To support the Council meeting the statutory requirement to collect household recycling and waste.
- To support the Council meeting the statutory requirements of the vehicle operator's licence.

WAY FORWARD

23. Cllr Caro Wild, Cabinet Member for Climate Change and Matt Wakelam, Assistant Director Street Scene have been invited to make a statement and answer Member's questions.

Legal Implications

24. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not making policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to the Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d)

be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

25. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not making policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

The Committee is recommended to:

- i. Consider the information in this report and the information presented at the meeting;
- ii. Determine whether they would like to make any comments, observations or recommendations to the Cabinet on this matter; and,
- iii. Decide the way forward for any future scrutiny of the issues discussed.

Davina Fiore

Director of Governance & Legal Services

30th June 2023