

PROJECT DOCUMENTATION

OUTLINE BUSINESS CASE

Enhanced Recycling – Phase Three

Release: 1.1

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This Project Utilises Chorley Borough Councils Project Management Methodology

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Programme Board: Capital

Outline Business Case

Revision History

Date of this revision:

Revision Date	Summary of Changes	Version
16/11/05	First Draft	1.0
24/11/05	Minor changes following quality assurance.	1.1

Approvals

This document requires the following approvals:

Name	Date Approved	Link to Approval Minutes	Version
Capital Programme Board			

Distribution

This document has been distributed to:

Name	Title
John Lechmere	Head of Environmental Services
Rebecca Huddleston	Project Support Officer

1. OUTLINE BUSINESS CASE

1.1 Project Background.

Executive Cabinet have approved the Head of Environmental Services recommendation to extend the enhanced recycling service to the remaining 1500 households in the Borough that are currently classed as difficult access properties for the purposes of refuse and recycling collections. Council Minute 05/EC/146 refers.

1.2 Project Objectives

- To provide an enhanced recycling service to the remaining difficult access properties in the Borough and maximise our income stream through the Lancashire Waste Partnership (LWP) Cost Share Agreement.
- To deliver our service promise to extend the Enhanced Recycling Service to all eligible properties.

1.3 Scope

The scope is to procure a full suite of recycling containers for each of the remaining 1500 households not currently receiving an enhanced recycling scheme.

1.4 Assumptions

The assumptions made are that:

- The capital bid for 'Kerbside Recycling – Service and Capacity Improvements' is successful.
- Contractor resources can absorb the additional recycling collections.
- Containers are available at estimated costs.

1.5 Overview of the Business Case and Benefits

Chorley is a leading recycling authority, having moved our recycling rate from 4% in 2001/2 to 40% (April to September) this year. In April 2005 we introduced an Enhanced Recycling Service that provides 96% of households with an alternate weekly refuse collection service and kerbside recycling service in line with the LWP Cost Share Agreement requirements.

Outline Business Case

This has been achieved in large part through successful bids to the DEFRA Waste Challenge Fund for the capital procurement of recycling containers and specialist vehicles and by opting into the Lancashire Waste Partnership Cost Share Agreement which provides an income stream over and above the enhanced Recycling Credit Scheme.

A commitment was made to extend this enhanced service to all households in the Borough as part of phase 2, but due to participation rates exceeding expectations in the initial phase the current fleet profile is now fully utilised. As part of a separate bid we are procuring additional vehicle capacity to accommodate increased participation and there is sufficient capacity to accommodate the remaining 4% of households in the Borough. Cleanaway have agreed to crew the vehicles to provide the service within the current contract value. In order to provide this service we need to procure the full suite of recycling containers for each household yet to be brought onto the scheme.

This project meets our corporate priority to improve access to and take up of public services as well as developing the character of Chorley as a good place to live.

1.5.1 Benefits Plan

- The objective of extending the enhanced recycling service will mean a consistent collection service is provided to all households in the Borough.
- Providing the full suite of recycling containers to the remaining households still on weekly residual waste collections with no current recycling provision will mean extra recycling is brought in, driving our recycling rate upward to our 2015 target of 56%. It is anticipated that this can be implemented in one single phase during April 2006.
- Increased income in next financial year to value of £22,500

1.5.2 Gershon Efficiencies

	Efficiencies
Corporate Services	None anticipated.
Procurement	If tied in with 'Kerbside Recycling – Service and Capacity Improvements' project we will be able to obtain more competitive rates for containers. Leverage of additional revenue expenditure from the contractor as detailed in the Executive Cabinet report. Savings from the introduction of Alternate Weekly Collections (AWC) for refuse being reinvested in recycling effort.
Productive Time	Full utilisation of contractor resources to maximise recycling collections.
Transactions	None anticipated.

1.5.3 The Do Nothing Scenario

The result of doing nothing can be summarised as follows:

- Difficult access properties will remain on a weekly residual waste collection and will not have the opportunity to participate in kerbside recycling services resulting in a two - tier service provision across parts of the Borough.
- Income through the Lancashire Waste Partnership Cost Share Agreement will be lost to the value of about £22,500 in 2006/7 rising in line with an RPI index in subsequent years.
- Savings from AWC of refuse will not be realised.

2. ESTIMATED PROJECT COSTS

Description	Capital Cost Estimate	Revenue Cost Estimate
Procure suite of recycling containers for each household	£33,000	£3,000
Total	£33,000	£3,000

3. RECOMMENDED HIGH LEVEL PROJECT MANAGEMENT ARRANGEMENTS

Position	Name	Title
Project Sponsor	Executive Cabinet	
Senior User	John Lechmere	Head of Environmental Services
Senior Suppliers	Cleanaway MGB Systems Straights Plc Dicksons Sacks	
Project Manager	Simon Clark	Commercial Manager