

Review of Waste and Recycling Services in Light of the Environment Act 2021

Report of the Recycling, Environmental Services and Car Parking Portfolio Holder

Recommended:

- 1. That, in order to respond to the Environment Act 2021 and the recently approved Joint Municipal Waste Management Strategy, the Council makes the necessary changes and subsequent investment in its waste and recycling collection service.**
- 2. That the future of waste and recycling collections will take the direction as introduced in section 5.4 – Option B and described in section 6 of the report, but specifically the introduction of a weekly collection of food waste and an alternating collection of ‘fibres’ (paper, magazines and cardboard), ‘containers’ (glass bottles and jars, plastic bottles, plastic pots, tubs and trays, cans and tins, aerosols, cartons) and ‘non-recyclable household waste’ from as early as 2024.**

Summary:

- The report sets out the numerous challenges that have emerged as a result of the Environment Act 2021.
- The report describes how local authorities in Hampshire have translated the law into local action by the development and adoption of a Joint Municipal Waste Management Strategy.
- The report details two options (referred to as Option A and B) for the Council to consider in order to respond to both the Act itself, and the direction being taken by Hampshire partners, particularly Hampshire County Council in their capacity as the Waste Disposal Authority (WDA).
- The report recommends Option B as the most appropriate direction for the reasons set out in section 6 and in the summary in section 12.

1 Introduction

- 1.1** In November 2021, the Environment Act became law. Its priority areas are air quality; water; biodiversity; and resource efficiency and waste reduction. With regards to waste and recycling, the Act will help transition to a more circular economy, incentivising people to recycle more, encouraging businesses to create sustainable packaging, making household recycling easier and stopping the export of polluting plastic waste to developing countries. These changes will be driven by new, legally binding environmental targets and enforced by a new, independent Office for Environmental Protection.

- 1.2 Within Hampshire, the Project Integra partners have been working through the implications of what the Act requires in terms of service change for both the waste collection and disposal authorities. The Joint Municipal Waste Management Strategy (JMWMS) has been revised and by February 2022, was approved by all authorities. The JMWMS sets the strategic direction for service change.
- 1.3 As a Waste Collection Authority, we have been reviewing what opportunities we have to improve our household waste and recycling collection service. The Act itself will require us to collect a wider range of recyclable materials and the County Council, as Waste Disposal Authority, will need to make arrangements to deal with these.

2 Background

- 2.1 Project Integra is a unique partnership. Created in 1995, it consists of Hampshire County Council (the Waste Disposal Authority), the two Unitary Authorities of Southampton and Portsmouth, the 11 District Councils (the Waste Collection Authorities) and Veolia UK (the waste disposal contractor). Project Integra is effectively an integrated approach to the collection, treatment and disposal of municipal waste in Hampshire. The work of Project Integra is guided by three objectives: customer focus; value for money; and sustainability.
- 2.2 Project Integra was awarded Beacon Council status in 1999, as an example of best practice for dealing with waste in accordance with sustainable development principles. It was also cited as an example of good practice for its partnership approach to waste management in the 2002 Government strategy report 'Waste Not Want Not'.
- 2.3 Hampshire has previously been widely acknowledged for its partnership working on waste, its impressive integrated waste management facilities, relatively high performance and contribution to shifting fundamental thinking from waste to resource management. However, in recent years, performance levels have failed to keep up with those of the best performing authorities in England. In 2019/20, Hampshire's recycling rate was 41.7% (across all recycling services, including HWRCs). The highest performing partner had a recycling rate of 41.3%, with the lowest performing partner having a recycling rate of 24.8%. Overall, the county sat within the lower half of the English local authority recycling performance league table, with the majority of partners sitting in the lower quartile. This is a situation that the Partnership has been determined to change.
- 2.4 The Environment Act 2021 is key to delivering the commitments made in the Government's 25 Year Plan to Improve the Environment (January 2018). Amongst other actions, the 25 Year Plan aims to minimise waste and in particular, plastic waste. For instance, it has an ambition to achieve zero avoidable waste by 2050, and a target to eliminate avoidable plastic waste by the end of 2042. It also aims to meet all existing waste targets – including those on landfill, reuse and recycling, and to develop ambitious new future targets and milestones.

- 2.5 The Environment Act 2021 will set long-term, legally binding, environmental targets, plans and policies for protecting and improving the natural environment in the UK. With regards to waste and recycling, the Act will allow the Government to:
- (a) Deliver consistent and frequent recycling collections across England.
 - (b) Ensure councils operate weekly separate food waste collections, preventing food waste from going to landfill or being incinerated.
 - (c) Introduce clearer labelling on certain products so consumers can easily identify whether products are recyclable or not.
 - (d) Expand the use of charges on single use plastics, following the successful introduction of the carrier bag charge and introduce a deposit return scheme (DRS) on plastic drinks containers.
 - (e) Introduce new extended producer responsibility (EPR) schemes to make producers responsible for the full net costs of managing their products when they are ready to be thrown away.
- 2.6 In anticipation of these significant waste policy changes, the Hampshire Waste Partnership was created in 2018, to work alongside Project Integra. The Hampshire Waste Partnership commissioned work setting out options for the management of waste in Hampshire including agreeing an optimal collection and disposal system.
- 2.7 In 2006, Project Integra introduced its Joint Municipal Waste Management Strategy (JMWMS). It was refreshed in 2012, and then again in 2021 as it was recognised that the legislative and budgetary environment had significantly changed since the 2012 refresh. It needed to take into account the competing pressures on all of Hampshire's partnership authorities, and to consolidate an agreed path for service consistency and best value in the waste service delivery for the county as a whole, based on agreed priorities. The JMWMS will be reviewed by the partnership every three years and the vision for Hampshire is: *"The Project Integra partners will work together to deliver high performing, forward looking recycling and waste management services which provide value for money for Hampshire taxpayers meeting local needs and recognising the climate emergency and need for a reduction in carbon emissions."*
- 2.8 One of the most important key objectives in the 2021 JMWMS is Recyclable Material Management and in particular the introduction of twin stream collections. The twin stream approach would increase the recycling rate by collecting fibres (paper, magazines and cardboard) in one receptacle, and containers (glass bottles and jars, plastic bottles, plastic pots, tubs and trays, cans and tins, aerosols and cartons) in another. This service change would require the redevelopment of the waste transfer station infrastructure and the Material Recovery Facilities (MRFs) in order to handle glass. The twin stream approach has the lowest whole system costs (collection and treatment) and lowest carbon impact when compared to other types of collection systems.
- 2.9 Test Valley Borough Council approved the refreshed JMWMS in October 2021, following an OSCOM Round Table discussion. The JMWMS was approved by all partners by February 2022.

- 2.10 Test Valley Borough Council currently has a 37.6% recycling rate (2020/21). This has the Council ranked in position 222, out of 338 English local authorities. However, within Hampshire, we are ranked in 4th position. Local Authorities that achieve higher recycling rates are currently able to collect a much wider range of materials through their systems. By 2025, the national target for the preparing and re-use and recycling of municipal waste is 55%, with the ultimate target of achieving 65% by 2035.
- 2.11 Both the Environment Act 2021, and JMWMS, will require Test Valley Borough Council to improve its waste and recycling collection service. The Government is expected to publish the full results of its consultations (linked to the Act) in the next couple of months, and secondary legislation will follow later in the year. The Act itself will be effective from 2023. Locally, Hampshire County Council has applied for planning permission to build a brand new MRF at Chickenhall Lane in Eastleigh. The MRF will be able to sort all the materials required to be collected at the kerbside in the future, both by the Act and the JMWMS. Once approved, it is expected the MRF will be constructed and operational from mid- 2024.
- 2.12 In making these positive changes, we will be meeting our resident's desires and expectations that we should be doing more, such as collecting glass bottles and jars, cartons and plastic pots, tubs and trays at the kerbside. We will improve the borough's recycling rate and ultimately, we will be making a difference at a time when the green agenda and climate emergency is a concern for all.
- 2.13 It is important to note that although we will be required to make improvements to our waste and recycling service in line with the JMWMS, how we achieve it will be determined by ourselves.

3 Corporate Objectives and Priorities

- 3.1 In creating Test Valley Borough Council's Corporate Plan 2019-2023, 'Growing Our Potential', residents were consulted. They said they care about their local environment and they wanted to do more. They would like to have more opportunities to recycle and have more, clearer information about what they can recycle and how they can play their part. The Corporate Plan incorporated these views and in 'The Local Environment' priority, the Council committed to develop opportunities, through the Hampshire Waste Partnership, to increase the range of materials that can be recycled. We also committed to encourage people to recycle more through education and making recycling easier.
- 3.2 Test Valley Borough Council is currently planning ahead to 2027, through its next Corporate Plan and residents are being consulted about our future priorities. Again, an emerging theme is the green agenda.
- 3.3 Test Valley Borough Council's Climate Emergency Action Plan was published in June 2020, and although the action plan mainly focusses on what the Council can do itself to make a difference, it notes we cannot face this challenge in isolation. In the theme 'Supporting Communities and Businesses',

the Council commits to improving recycling behaviours. Through raising awareness and understanding of recycling opportunities within the Borough, and reducing contamination, a positive impact will be felt locally and nationally.

- 3.4 In addition to these corporate documents, it should be noted that the Council will be mandated to change. Food waste collections and consistent collections must be provided. Additionally, there is a possibility that the Government may also mandate free garden waste collections although the industry does not expect this to come to fruition. In addition, national waste and recycling targets will be set and monitored by the Office for Environmental Protection.

4 Consultations/Communications

- 4.1 The Act and the JMWMS have been extensively discussed – through Hampshire County Council meetings, Project Integra meetings and Hampshire Waste Partnership meetings.
- 4.2 Within Test Valley Borough Council, the JMWMS was discussed at the OSCOM Round Table (October 2021) and extensive discussions have been held with the Portfolio Holder and Leader of the Council.
- 4.3 At the time of writing, an OSCOM sponsored meeting is planned for 15 June to share and discuss with all members, the Council's planned response to the Environment Act.
- 4.4 Moving forwards, Test Valley Borough Council is working in partnership with Solent University in order to better understand how people are influenced, behave and respond to information and change around recycling and wider waste management messages. Focus groups are planned for July 2022 in order to enquire how residents feel about recycling currently, and to reflect on what currently works in terms of the Council's communications. Research will also be conducted so we can understand how other local authorities communicate with their residents. This deliberative democracy approach will help the Council better understand how residents will need support with the future waste changes.

5 Options

- 5.1 With consideration to the changes required by the Environment Act, and the JMWMS, and the modelling that was carried out by Wood plc on behalf of all Hampshire local authorities, the Council has two clear options for modifying its waste and recycling collection service.
- 5.2 Both options have the same bin allocation: Each household will have:
- (a) 1 x black bin for household waste (non-recyclables)
 - (b) 1 x brown bin for fibres (paper, magazines, cardboard)
 - (c) 1 x blue bin for containers (glass bottles and jars, plastic bottles, plastic pots, tubs and trays, cans and tins, aerosols, cartons)
 - (d) 2 x caddies for food waste (kitchen caddy/collection caddy)
 - (e) Garden waste wheeled bin(s) or reusable sack(s) (paid subscription)

5.3 Twin Stream Alternating - Option A. With this option, residents will have their black bin emptied on week 1, and their brown and blue bins emptied on week 2. The food waste bin is emptied weekly.

5.4 Twin Stream Alternating - Option B. With this option, residents will have their black bin emptied on week 1, their brown bin emptied on week 2, and their blue bin emptied on week 3. The food waste bin is emptied weekly.

6 Option Appraisal

Option A

- 6.1 Whilst this option retains current collection frequencies, it means that the Council loses its opportunity to maximise recycling with an anticipated recycling rate of 47.4% (based on the modelling carried out on behalf of all Hampshire LAs).
- 6.2 It is anticipated that round sizes will change. They will become complicated to design and operate and collection days may differ for different materials. This will also impact the Council's communications as they will become non-universal.
- 6.3 In broad terms, the current frontline waste and recycling collection system is undertaken by 12 rounds, of different size, based on property density. Some rounds are very rural in nature and travel more distance than those located in town centres. Staffing resource on each round is geared to match the area within which they operate. All waste is collected in a typical single bodied waste collection vehicle that has a gross vehicle weight of 26 tonnes. A move to Option A would require a significant change to our current fleet of vehicles.
- 6.4 Option A is ultimately more expensive than the current system of waste collection that has been in place within the borough since 2006. Moreover, in addition to the extra costs associated with developing and running this system, it is inherently more complicated to operate given the need for changing half of the fleet for a different type of collection vehicle.
- 6.5 The Council will need to dispose of some of its existing single bodied vehicle fleet and purchase more expensive twin bodied vehicles in their place. However, there is an additional issue with twin bodied vehicles in that they will need to be a 50:50 split to collect both material types, but this configuration will not be able to empty the 1100 litre communal bins we have around the borough. It is likely an additional round of single bodied vehicles will be needed to service these bins, which is not efficient.
- 6.6 Early indicative work on round size and vehicle type would suggest that 6 rounds would be deployed for the collection of household (non-recyclable) waste (using existing vehicles) and 8 rounds would be deployed, using twin bodied vehicles, for the collection of twin stream material. This an increase in the number of vehicles and rounds required. The current cost of one twin bodied vehicle is circa £225,000 compared to a single body vehicle that is much less at £187,500. In addition to frontline vehicles, there would be a need to have spare vehicles on the fleet. Therefore, 10 twin bodied vehicles (8 frontline and 2 spare) would attract a capital cost of circa £2,225,000.

- 6.7 In addition to the capital cost required to change the fleet, there are a range of other ongoing financial implications. There are some costs that we cannot accurately calculate regarding the operation of twin bodied vehicles, but based on experience, we can estimate that fuel costs will increase by approximately £30,000 per year, with ongoing maintenance slightly less per year, at approximately £20,000.
- 6.8 In addition to the upfront capital cost and the ongoing vehicle related cost, there would be a requirement for additional staff. The annual cost for staff would be approximately £170,000 pa, meaning that Option A would require additional ongoing revenue of approximately £220,000 pa.
- 6.9 By their very nature, twin bodied vehicles have inherent inefficiencies. The payload is low compared to a single bodied vehicle and due to their relatively high un-laden weight, fuel efficiency is low. One constraint with operating this type of vehicle is the balance of material. Once one side is completely full, the vehicle has to be emptied regardless of how full the other side is. These vehicles will require more parking spaces at both depots and additional staff will be required to operate them.
- 6.10 This option could negatively affect the street scene too, as both brown and blue bins will be put out at the kerbside on the same day. It should be noted that there may be locations where garden or food waste may be presented for collection on the same day too.

Option B (recommended option)

- 6.11 This option gives the Council the opportunity to maximise its recycling with an anticipated recycling rate of 54.71% (based on the modelling carried out on behalf of all Hampshire LAs).
- 6.12 This option means that the Council's waste collection rounds remain the same, the vehicle fleet remains the same (and every size of bin can be emptied) and no additional staff are required (apart from recruiting for food waste collections). It is a clean system with one bin type presented each week. As a result, the communications will be universal and easy to share.
- 6.13 Option B will have capital (provision of bins) but no ongoing revenue implications. It should also be noted that both Option A and Option B will mean residents will all receive an additional blue bin – as required by the new twin stream approach.
- 6.14 It should be noted that both Option A and Option B will be supported by weekly food waste collections, and residents will continue to be able to subscribe to the Garden Waste Collection Service (assuming there will be no mandated changes).
- 6.15 Option A's estimated recycling rate of 47.4% will mean the Council will not meet the 2025 55% target recycling rate, but Option B is likely to meet it, with an estimated rate of 54.71%.

- 6.16 Where local authorities have already introduced a waste collection system similar to that described as Option B, they have achieved a higher recycling rate than has been projected by the consultants, which would suggest that their figure is on the conservative side. For example, Powys County Council achieve a recycling rate of 66.1% and East Devon District Council achieve a recycling rate of 60%.
- 6.17 Both options will require the Council to review its operational waste and recycling policies.
- 6.18 A change of this magnitude will introduce challenges and opportunities, regardless of which option is chosen. The Council will engage with all those affected by the change. In the meantime, a series of initial FAQs have been developed that are reflective at this point in time and are annexed to this report.
- 6.19 The introduction of a weekly collection of food waste is mandatory. The table below only compares the principle differences between both Option A and Option B:

	Option A	Option B
Increased range of materials	Yes	Yes
Additional bin	Yes	Yes
Projected Recycling Rate	47.4%	54.71%
Meets 2025 recycling target of 55%	Does not meet	Likely to meet
Capital implications	- Changes to fleet - Provision of blue wheeled bins	- No changes to fleet - Provision of blue wheeled bins
Revenue implications	- Additional staff - More fuel - Increase in vehicle maintenance	- Same staff - No increase in fuel - No increase in vehicle maintenance
Changes to existing rounds and collection day	Yes – significant	No changes
Impact on street scene	Yes – multiple bins on recycling week and the possibility of food and garden waste collections on the same day	No change except for the possibility of food and garden waste collections on the same day
Carbon Impact	Increase in vehicles / fuel consumption for twin stream and food waste collections	Increase in vehicles / fuel consumption for food waste collections only

7 Risk Management

- 7.1 An initial assessment of the risks has been carried out. It is fair to say that the risks will change as time progresses. However, in summary, the risks centre around the following:
 - 7.1.1 Availability of New Burdens Funding.
 - 7.1.2 Increased revenue costs – fuel, staff, vehicle maintenance etc.
 - 7.1.3 Delays in the release of national consultation responses and subsequent secondary legalisation.
 - 7.1.4 Income streams lower than anticipated – EPR and DRS etc.
 - 7.1.5 Reliance on Hampshire County Council to deliver the infrastructure needed to deal with changes in collection methods, and other Hampshire authorities making the change to twin stream.
 - 7.1.6 National capacity to produce and provide vehicles and receptacles in good time during a period of national supply congestion.
 - 7.1.7 Recruitment during a time of exceptionally low unemployment.
 - 7.1.8 Inability to meet the national recycling target of 55% by 2025 and future targets beyond.

8 Resource Implications

- 8.1 The change to the waste collection system will have capital and revenue implications. However, at this stage it is too early to determine how much of that will fall to the Council.
- 8.2 Any mandated changes should attract New Burdens Funding, but the Government has yet to publish how this will be delivered in practice. It is likely that they will cover some, or all, of the capital cost for food waste collections. They have so far said that they will provide a £295 million capital funding pot to cover the costs of setting up food waste collection services (from 2023/24) but no further details have been released.
- 8.3 EPR funding is also expected for 'efficient and effective' schemes (likely 2024/25) and we can anticipate an income from DRS too. Again, details on what this will look like remain unclear at this stage.
- 8.4 Once the details on capital and revenue funding are clear, more detail will feature in future reports.
- 8.5 The purpose of this report is to develop a statement of intent as to the future of waste and recycling services, given the national legislative changes and the development of a local response across Hampshire in the form of the JMWMS.

9 Legal Implications

9.1 None at this stage

10 Equality Issues

10.1 The EQIA has been carried out and has not identified any potential for discrimination or adverse impact and all opportunities to promote equality have been taken.

11 Other Issues

11.1 Community Safety - None

11.2 Environmental Health Issues - None

11.3 Sustainability and Addressing a Changing Climate – referred to in the main body of the report.

11.4 Property Issues - None

11.5 Wards/Communities Affected - All

12 Conclusion and reasons for recommendation

12.1 Due to the changes in legislation, the Council has no choice but to make significant changes to its waste and recycling collection service.

12.2 It is recommended that a weekly food waste collection service is introduced from as early as 2024, to align with the availability of the treatment infrastructure being developed and delivered by Hampshire County Council, in their capacity as the Waste Disposal Authority.

12.3 It is also recommended that Option B is chosen and introduced within the same timeframe as a weekly food waste collection service. The primary reasons for recommending Option B are:

- (a) It will increase and maximise our performance e.g. recycling rate
- (b) It will be least disruptive for residents e.g. their collection days will remain the same
- (c) Communications are easier e.g. bin/online calendars, flyers, stickers
- (d) It will be least disruptive for staff e.g. the vehicles, crews, rounds remain the same
- (e) The costs do not increase e.g. no need to purchase new vehicles, recruit additional staff.

Background Papers (Local Government Act 1972 Section 100D)

None

Confidentiality

It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.

No of Annexes:	1	File Ref:	N/A
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(Portfolio: Recycling, Environmental Services and Car Parking) Councillor N Adams-King

Officer:	Paul Wykes	Ext:	8351
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Report to:	Cabinet	Date:	22 June 2022
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