

Environment & Sustainability Committee

14 September 2021



Title	Resources & Waste Strategy for England
Purpose of the report	To note
Report Author	Jackie Taylor - Group Head of Neighbourhood Services
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	<i>Not applicable</i>
Corporate Priority	Economic Development Clean and Safe Environment Financial Sustainability
Recommendations	Committee is asked to: Note the report
Reason for Recommendation	The Government has consulted on different elements of its Waste & Resources strategy for England. This report provides a summary of the consultations and the potential impacts to Councils across England if the strategy was introduced.

1. Key issues

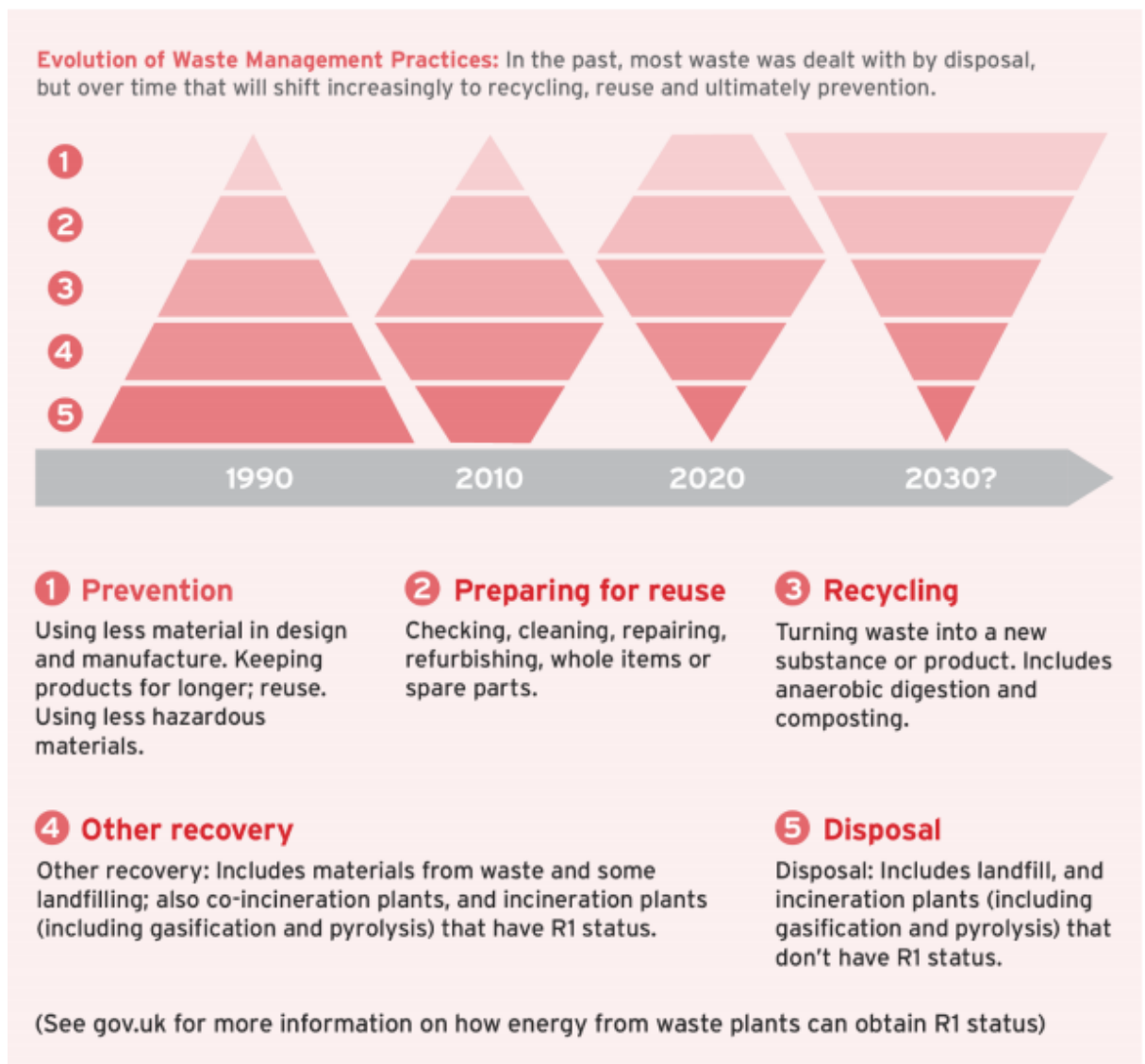
- 1.1 The Government's Resources & Waste Strategy sets out their ambitions for higher recycling rates, increased resource efficiency and a more circular economy in England. The circular economy means **moving away from the world's current wasteful economic model of 'take, make, throw away', in which resources are extracted, turned into products, used, and discarded.** It entails redesigning products to be more durable, reusable, repairable, and recyclable. These ambitions will require changes in how we produce and consume products & materials, as well as how we treat and dispose of them at end-of-life.
- 1.2 The Strategy sets out how the Government plan to minimise the damage caused to our natural environment by reducing and managing waste safely and carefully, and by tackling waste crime. The Strategy combines actions and commitments for the coming years and gives a clear long term-policy direction in line with the Government's twenty-five-year Environment Plan. This plan is a blueprint for eliminating avoidable plastic waste, doubling resource productivity, and eliminating avoidable waste of all kinds before the year 2050. This can be summarised as follows:



- 1.3 The Government Strategy also supports frequent and comprehensive rubbish and recycling collections which ensures that a core set of recyclable materials are collected from households and businesses and other organisations.
- 1.4 The Government has been reviewing the National Waste Strategy for some time. The initial consultation as in 2019 and we responded to this through the Surrey Environment Partnership (SEP).
- 1.5 This was part one of a two-part consultation, the second part was expected in 2020, but was delayed due to the Coronavirus pandemic.
- 1.6 Spelthorne officers have now received and responded to five consultation documents, two of which are more technical or industrial and do not directly affect us. The other three have far reaching consequences for all local authorities. These are:
- Extended Producer Responsibility (EPR)
 - Deposit Return Scheme (DRS)
 - Consistency in Collections (CiC)
- 1.7 Further details on these three consultations can be found at **Appendix 3**
- 1.8 It is anticipated that following the outcome of the latest consultation on recycling consistency, the government will specify the types of materials to be collected within each recyclable waste stream. The key milestones for the Governments Strategy are detailed in Appendix 1.
- 1.9 To achieve high quality recycling, it is also anticipated that the Government will, to achieve high quality recycling, require these waste streams to be collected separately from each other, except where this is not Technically, Environmentally and Economically Practicable (TEEP), or where there is no significant environmental benefit from separate collections.

- 1.10 Government have already stated that they have set out requirements of separate collection in law to make the TEEP requirements clearer for local authorities and waste operators to follow. Statutory guidance will also be provided to help with decision making on separate collection and when local authorities should carry out assessment of the feasibility or otherwise of separately collected recyclable materials.
- 1.11 There is also a proposal within the resources and waster strategy to introduce a free minimum collection service of garden waste for all householders producing green waste. During the first round of consultations in 2018 there was mixed support for the idea of “free” garden waste collections for all. As a result of this the Government is now seeking “alternatives” to a “free” minimum collection service that could achieve the aim of maximising garden waste recycling or composting and reducing the garden waste treated through residual waste treatment methods, including landfill and incineration.
- 1.12 In proposing these “free” services the Government recognises that these new duties will impose additional costs on local government, and it proposes to follow the “new burdens guidance” to ensure that the costs of new statutory duties for local authorities are covered.
- 1.13 In England the waste hierarchy is both a guide to sustainable waste management and a legal requirement, enshrined in law through the Waste (England & Wales) Regulations 2011.

Evolution of waste management practices



- 1.14 Nationally household recycling rates have increased considerably from an average of 11% in 2001 to 45% in 2019/20. However, since 2015 progress for domestic recycling has been slower and rates are remaining static with no signs of improvement. It is recognised within the strategy that there is a need to drive better quantity and quality in recycling which will require more investment in domestic recycled materials markets.
- 1.15 Managing waste further up the waste hierarchy has required a change in our waste management practices. As waste is increasingly treated as a resource it has led to complexities in our waste management services. These complexities are enhanced by the variation in waste services across England which are delivered by the different tiers of local government, i.e., unitary, county and district levels and by the private sector. Waste services, more specifically waste collection schemes and major disposal and recovery installations for municipal waste, are a matter for local authorities to develop fit for purpose local solutions within the context of the Environmental Protection Act 1990, as amended, and subsequent Regulations.

- 1.16 Government published its national waste strategy 'Our Waste, Our Resources, A Strategy for England' in December 2018. It included two elements in line with the 'polluter pays' principle – Extended Producer Responsibility (EPR) and the Deposit Return Scheme (DRS)
- 1.17 **EPR:** producers of packaging are to pay for its subsequent collection in councils' recycling, refuse and litter collections. A 'modulated payments' system will incentivise low-volume, easy to-recycle packaging with a high content of recycled materials.
- 1.18 **DRS:** producers place deposits on drinks containers – cans, glass bottles and certain plastic bottles. Consumers will be able to redeem the deposits after use via 'Reverse-Vend Machines' in supermarkets and shops, etc.
- 1.19 It is also suggested that online retailers may be obligated to collect used drinks containers that they sell and give the purchaser back the deposit. Government is consulting on two potential versions of DRS:
- 'On-the-go': designed to combat littering
 - 'All-in': also covering drinks containers consumed at home
- 1.20 Consistency is a third, major element of the national waste strategy. Consistency deals with what, and how, councils should collect for recycling. It proposes, for example, to obligate collections of foil, foil trays, plastic films/flexible packaging (e.g., crisp packets/pet food pouches) and cartons (e.g., Tetra Pak®) – none of which are easily recyclable now. This element of the strategy also consults on proposals for 'free' garden waste collections.

2. Options analysis and proposal

- 2.1 At this stage there are no options as the Government's waste strategy is in the consultation stage. We will be required to comply with any changes as and when legislation is passed.

3. Financial implications

- 3.1 Both EPR and DRS propose alternative funding methods for council collections of packaging waste and drinks containers. The Government expects business to take over funding portions of our collections, rather than money coming from Council Tax.
- 3.2 It is important to note that this is not new, or more, money. It is simply money from a different source with the purpose of stimulating less waste and more recycling.
- 3.3 It is expected that most consultation responses, including ours, will stress the need for councils to be fully funded by the EPR changes. There is however a risk that the Government's modelling approach to calculating producer payments (as opposed to calculating the actual costs for each council) risks a shortfall versus current funding which has the potential to impact all Councils as early as 2023. The Council in its medium-term Outline Budget modelling will flag this risk and attempt to allow for an adverse impact on our overall funding
- 3.4 The District Councils Network have in their response identified many areas of concern including: -
- The proposed changes are contrary to devolution

- Maintain the principle that authorities should have discretion in the collections of different waste streams
 - Composting as a more sustainable alternative to “free” garden waste collections
 - Carbon impact assessments related to the statutory garden waste proposal
 - Ensure that waste collection authorities receive just benefits for efforts made to improve recycling rates whatever mechanism is put in place
 - Confirmation that all Councils will be treated equitably in relation to the new burdens fund
 - Confirmation of how ongoing funding will be assured and accurately assessed
- 3.5 A key risk of both EPR and DRS is that councils may collect less recycling, and so be able to obtain less income from recycled materials. There may be a balancing benefit from reduced collection costs, but the effect on collection costs cannot be assessed until we see the outcomes and actual effects of EPR, DRS and Consistency.
- 3.6 Whatever the outcome of the consultations and what we will subsequently be required to deliver we will still need to visit each household to collect some recycling. The overheads (vehicles, fuel, staff, bins) needed to do so mean that a % reduction in packaging waste may not result in the same % reduction in collection costs.
- 3.7 In principle, any additional costs arising from new burdens such as the proposed obligation to collect new packaging materials (plastic pouches, etc.). would be accommodated by the Government’s New Burdens doctrine. The impacts of any such changes will need to be assessed within any overall changes to collection services including any requirements within Consistency.
- 3.8 The Government also proposes to provide extra funding to councils that offer “efficient and effective” collections, but they have yet to define the meaning of this.
- 3.9 The Government’s Waste and Resources Strategy is expected to result in a significant change to the way in which local authorities receive funding for recycling, refuse and litter collection. The Neighbourhood Services team will work with finance colleagues to ensure that the financial impact of any change is quantified and built into the budget setting process.
- 3.10 At this stage it is not possible to consider what the financial implications are as they are not known, however what we can do is look at what waste services we currently provide against what we may need to provide once the new legislation becomes law. Details can be found at **Appendix 2**. As commented the risk of a funding shortfall will be considered in the Outline Budget projections modelling

4. Other considerations

- 4.1 Neighbourhood Services has 48 operational posts to deliver waste and recycling services. This comprises of: -
- 8 alternate weekly Rubbish & recycling rounds

- 2 alternate weekly garden waste rounds
 - 1 difficult property round
 - 3 food, textile & waste electrical rounds
 - 1 commercial waste company SDS Ltd
- 4.2 Spelthorne's current collection methodology for its 43,864 banded domestic properties is: -
- Alternate weekly recycling & rubbish
 - Alternate weekly paid for garden waste (Feb-Dec) (13411 active customers)
 - Weekly food, textiles & waste electrical (3 in 1 service)
- 4.3 The collection fleet is partly owned and partly leased
- 4 food/textile/WEE vehicles (all Council owned)
 - 12 waste collection vehicles (10 leased, 2 owned)
- 4.4 These leased vehicles are currently leased on a 6-year term which is due to expire in 2023 and a procurement exercise will need to be undertaken for the replacement of these vehicles in 2022. This timing is not particularly beneficial as we will, without knowing the outcome of the consultations and the Government's decision, need to decide on our choice of waste vehicles for the next 6 years to ensure we maintain scheduled services. It is essential that these vehicles are replaced in 2023 as refuse vehicles are prone to increased breakdowns and subsequent service failures once they enter their 5th & 6th years.
- 4.5 When undertaking a procurement exercise which will form part of a separate report early next year, we will consider all options for electric vehicles.
- Appendix 2** also shows that we may require more vehicles and staff as well as waste containers and on-site storage for both fleet and supplies.
- 4.6 The current cost of services in **Appendix 2** i.e., garden waste, rubbish/recycling, food/textiles/WEE is approx. **£2,205,600** per year.
- 4.7 The Government is suggesting that a new burdens fund will plug the gap between existing budgets and future budgets to deliver the strategy. However, it is anticipated that to deliver the additional new services in Spelthorne alone in line with the proposed strategy could cost as much as 40% to 50% extra.

5. Legal implications

The waste strategies will be introduced by way of a series of primary and secondary legislation on waste resource efficacy. That includes the Environment Bill. The Council is required to comply with new and changing requirements once they become law.

6. Equality and Diversity

- 6.1 At this stage it is not possible to establish how this proposed new legislation may affect our residents, this will become clearer as government makes its decisions on the way forward.

7. Sustainability/Climate Change Implications

- 7.1 The national waste strategy aims to increase recycling and reduce waste and it seems reasonable to expect that the strategy will achieve those aims. But that does not necessarily mean that councils' recycling rates will rise. Government will need to measure all the strategy elements combined, to measure success.
- 7.2 The national waste strategy aims to improve sustainability. However, we must again assess and wait to see what the combined effects will be, and how we may be affected individually.
- 7.3 We recognise that there will be a negative Environmental impact to various elements of the Strategy. Not least of all is the increase in vehicle movements because of the separately collected wastes. It is estimated that if all the Governments proposals are implemented Spelthorne will need to increase its current operational fleet from eighteen to twenty-eight vehicles.
- 7.4 As well as submitting Borough consultation responses, officers have worked with the Surrey Environment Partnership (SEP) to compile overall SEP responses. It may be noted that, while there are some differences reflecting local views or interpretations, in general the responses are very closely aligned and are not different on overall thrust or direction.

8. Timetable for implementation

- 8.1 The key milestones for the strategy are at **Appendix 1**

Background papers:

<https://www.gov.uk/government/publications/25-year-environment-plan>
<https://www.gov.uk/government/publications/resources-and-waste-strategy-for-england>
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/364759/141015_National_Planning_Policy_for_Waste.pdf
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/955897/waste-management-plan-for-england-2021.pdf
https://consult.defra.gov.uk/waste-and-recycling/waste-prevention-programme-for-england-2021/supporting_documents/WPP%20Evaluation%20and%20description%20of%20potential%20waste%20prevention%20measures%20FINAL.pdf

Appendices:

Appendix 1 Key milestones

Appendix 2 Costs

Appendix 3 National Resources & Waste Strategy summary