

APPENDIX C

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 2 FEBRUARY 2010

Title:

FOOD WASTE COLLECTION IN WAVERLEY

**[Portfolio Holder: Councillor John Sandy]
[Wards Affected: All]**

Summary and purpose:

To report back to Members with the outcome of the detailed feasibility work relating to food waste collection, and to seek a final decision on whether to proceed with this initiative in light of this information.

How this report relates to the Council's Corporate Priorities:

The report addresses the Council's 'Environment' priority, specifically, the plan to contribute to tackling climate change by "working with partners to increase the recycling rate to 45% by April 2010 and to 55% by 2015".

Equality and Diversity Implications

A food-waste collection service would be provided equally to all sectors of the community. Bespoke arrangements would need to be developed to serve houses in multiple occupation, and assisted collection arrangements made for the disabled and infirm as provided for in the core service.

Resource Value for Money Implications

The service would result in increased ongoing contractor costs. A provisional growth item of £75,000 (the estimated cost of a service designed around one vehicle) is currently contained in the draft 2010/11 budget, and a capital sum of £44,000, to fund the purchase of containers and the cost of initial publicity, is currently in the draft 2010/11 capital programme. Both are subject to approval as part of the budget-setting process in February 2010.

Legal Implications

The Council has no statutory duty to collect household food-waste separately and has no power to make a compulsory charge for such a service.

Background

1. At its meeting of 1 December 2009, the Executive considered a report presenting proposals for the phased introduction of a segregated household food-waste collection in Waverley. The Executive resolved that:-
 - (i) in considering service initiatives for 2010/11 the introduction of a food-waste collection service be a priority for the Council;
 - (ii) subject to approval as part of the budget-setting process in February 2010, the Council should embark on a bolt-on service during 2010/11, and the service should focus initially on urban areas;
 - (iii) Officers be requested to bring forward proposals for further encouraging home composting in the rural and semi-rural areas of the Borough;
 - (iv) Officers be instructed to proceed with the 'Next Steps' as outlined in Paragraph 25 of the report, to report back to Members in February 2010 with the outcome of this work and to seek a final decision on whether to proceed with this initiative, and;
 - (v) in order to set the food waste collection proposals in the context of a wider strategy for waste minimisation as a whole, Officers be requested to bring to the meeting of the Executive in March 2010 proposals for longer-term strategy options relating to the overall objectives of waste minimisation.
2. Officers are currently putting together a report dealing with future options for waste management, with a particular focus on waste minimisation (including home composting) and the opportunities afforded by the natural conclusion of the current Waste Management Contract in 2012. This report will be brought to the Executive's next meeting on 2 March.
3. In the meantime, pending Council resolutions on points (i) and (ii) above, Officers have carried out work on the 'Next Steps' outlined in the December report, and the results of this work are presented below.

Financial Models

4. Discussions with both Veolia and SCC have been ongoing, and both a firm cost from Veolia and a firm level of contribution from SCC for a service designed around one vehicle have now been negotiated. A summary of these costings is set out in Annexe 1.
5. From this it is clear that the initial capital outlay for purchase of kitchen caddies and kerbside containers, and for initial publicity, will be met in its entirety from the pro-rated capital contribution from SCC. Furthermore, the year 1 net revenue cost to WBC has, for a number of reasons now fallen. This is due in part to a review of the exact scope of the service and the activities required to make it a success (in particular the decision to absorb the administration and management of the new service within existing capacity and not to provide an initial issue of bio-bags to participants). It is also a result of negotiations with SCC during which a greater level of flexibility was agreed with respect to their offer of assistance.

6. It should be noted that these figures only relate to the year 1 costs, during which time the flexibility between capital and revenue contributions exercised by SCC will benefit this Council. After that time, the ongoing net revenue cost of operating a 'bolt-on' service would rise. This is because during year 1, the Council will benefit from a £10k revenue 'start-up' contribution from SCC, as well as being able to use any capital remaining after purchase of containers and publicity (currently estimated at £7k) to assist with revenue costs. In year 2, however, the Council will be reliant solely on the £20k pro-rated revenue contribution from SCC. For a service designed around a single vehicle therefore, the revenue cost would increase from £75k in year 1 to approximately £91k per annum (plus the contract-related annual uplift of RPI + 1%) thereafter.
7. A fully integrated service would not result in such a high unit cost. Indeed, there is a local example of an integrated service recently being implemented at no extra cost. Veolia confirm that, should there be a desire to renegotiate the contract on, or before the expiry of the first 7 years in 2012, they would be able to offer a more competitive unit cost for food waste collection if it were integrated into the refuse and recycling collection system. It is difficult however to provide a figure for this at present, as it is likely that any renegotiation or retender would involve more than simply incorporating food waste into the current system, but rather a sensible fundamental review of the way we currently do things, of what we collect and how.

Operational Model

8. At its meeting on 1 December 2009, the Executive made it clear that the provision of a food-waste collection service should be just one of a number of initiatives to remove food waste from the residual waste stream, and that to complement this initiative, further work was required to assist residents with minimisation and home-composting. This issue will be addressed in more detail in a future report to the Executive.
9. In light of this, Officers have looked at the possible make-up of a food waste collection service designed around a single vehicle by focusing their attention on households for which home composting is not a realistic option. In liaison with Veolia, a draft 'round' has been put together, covering a selection of densely populated areas across each of the four main centres of population over four consecutive days, with a fifth day focused specifically on flats. This model is of course constrained to an extent by the desire to shadow existing refuse/recycling collection days and so reflects existing routes, which naturally have a mix of property types, however, it is felt that these routes offer the largest proportion of 'difficult' properties possible without deviating from existing rounds. Members of the Executive and Ward Councillors will be consulted on this draft 'round' shortly.

Proposed Implementation Timetable

10. The timetable for implementation of this scheme is largely dictated by the lead-times for the procurement of the food waste containers and vehicle, and the minimum time period required to ensure the scheme receives adequate exposure and publicity before it is rolled out.
11. A draft project timetable is attached for consideration at Annexe 2 to this report.

Conclusion

12. The introduction of household food-waste collection in Waverley would meet a number of key objectives as set out in detail in the report to the December meeting of the Executive, and a provisional budget has therefore been allocated to finance the launch of a first phase of this programme (designed around a single collection vehicle) in 2010/11.
13. The collection of food waste is an important priority in the Surrey Joint Municipal Waste Management Strategy, a key element of SCC's current and future waste disposal policy, and a priority for this Council.
14. Once a phased introduction of the service has commenced, it is likely to be an attractive and valued aspect of the waste collection service we provide to our residents. However, the rate at which wider implementation is possible will necessarily be governed by available resources and progress on the re-specification and retender/renewal of the Waste Management Contract on, or before 1 November 2012.

Recommendation

It is recommended that the Executive requests Full Council to delegate responsibility to the Head of Environmental Services and Strategic Director, in liaison with the Portfolio Holder for the Environment, to proceed with the procurement of a food waste collection service designed around a single collection vehicle as detailed in this report.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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