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BOROUGH COUNCIL – 24 July 2007

THE FUTURE OF WASTE MANAGEMENT IN HOUNSLOW

Report by: Cllr Barbara Reid - Lead Member for Environment and Planning

Summary

The report outlines the current waste management arrangements in Hounslow. It sets out the issues that will affect how we handle municipal waste in the future. The report summarises the outcomes of recent all-Party Member Workshops and recommends a model for waste collection arrangements in the future. The recommended arrangements seek: to be in line with the West London Joint Municipal Waste Management Strategy (endorsed by the Council in September 2006); to increase the recycling/composting rate towards 40% and beyond; and to minimise the significant costs of waste disposal that Hounslow would accrue if we continue to dispose of current levels of waste to landfill.

1.0 RECOMMENDATION

- 1.1 That the Borough Council endorses the future waste and recycling collection arrangements set out in paragraph 9.

2.0 BACKGROUND – The Current Waste and Recycling Collection Services

2.1 Dry Recyclables. The service for the collection of dry recyclables (the Green Box Scheme) is operated through a contract let to ECT Recycling. The service is now in its second contract, currently running from 1 January 2002 for a 6 year period with the facility to extend for a further 2 years. The contract has the capacity for collecting recyclables from up to 90,000 households. This contract includes the collection of recyclables from 'near-entrance' recycling facilities for estate residents who are not able to participate in the Green Box Scheme due to their property type.

The Green Box Scheme collects glass, newspaper and magazines, household paper, domestic cardboard, food and drink cans, textiles and shoes, aluminium foil, Yellow Pages, engine oil, batteries, car batteries and aerosols. These are sorted at the kerbside into caged, split vehicles. ECT Recycling retains the revenue from sales of these recyclates, whilst the Council benefits from not paying for the costs of disposal of the tonnes recycled. The 'near entrance' estate schemes provide facilities for recycling paper, glass, cardboard, food and drink cans and aerosols.

2.2 Garden Waste. Following pilot schemes, a Borough-wide garden waste collection service was introduced in 2001. The service is currently provided by ECT Recycling as an extension

to the Kerbside Recycling Collection contract. Users of the service pre-purchase garden refuse sacks at a cost of 50 pence per sack.

2.3 Bring Sites. The Recycling Bring Sites across the Borough, which were the Council's initial infrastructure for providing recycling facilities, have been retained. The tonnage collected through the Bring system has remained constant, despite the extension of the Green Box and 'near entrance' facilities, and have provided an infrastructure to capture additional material eg plastics. There are a small number of contractors servicing these sites, each being responsible for particular materials.

2.4 Residual Waste. The Council provides a weekly residual refuse collection service to residents. Residential properties (eg. high-rise flats) not serviced by the bag collection, use bulk containers. The service is provided in-house by the EDS Division of the Street Management and Public Protection Department.

2.5 A bulky household waste collection service is provided at a charge, based on the number of items to be collected. The service is provided in-house by the EDS Division.

2.6 Clinical Waste. The Council provides a Clinical Waste collection service for both residents and commercial organisations. A charge is made for commercial organisations, whilst the Council funds the domestic service from within its revenue budget. The service is provided in-house by the EDS Division.

2.7 Trade Waste. The Council is obliged to provide a commercial waste collection service to those that request it, subject to the customer paying a reasonable charge. The service is provided by the EDS Division.

2.8 In addition to these collection services, the Council provides a Reuse and Recycling Centre (the Space Way Civic Amenity site) for waste to be delivered by residents. Space Way also provides facilities for receiving commercial waste for a charge.

2.9 All residual waste (apart from the small amount of clinical waste, which is incinerated) not separated for recycling or composting is delivered to the West London Waste Authority (WLWA) for final disposal. All residual waste is currently sent to landfill. Hounslow pays for such disposal on a per tonne basis.

3.0 CONSIDERATIONS FOR THE FUTURE

3.1 The key issues affecting waste management arrangements in the future are:

- The West London Waste Authority's (WLWA) Joint Municipal Waste Management Strategy which was endorsed by Hounslow in September 2006. This commits Hounslow (along with the other WLWA Boroughs) to recycling and composting 40% of our waste by 2010.
- Legislative requirements and Government targets and strategies. For example, The Household Waste Recycling Act, that requires waste collection authorities to collect at least two recyclable materials separate from residual waste by 2010; revised national strategy targets (in the Waste Strategy for England 2007) to recycle or compost at least 45% of household waste and recover value from 67% of municipal waste by 2015.
- The escalating costs of waste disposal. In addition to annual inflation and increasing levels of landfill tax, waste disposal authorities have been set limits on the amount of biodegradable waste (eg kitchen waste and garden waste) that can be landfilled in the future.

3.2 Should these annual limits be exceeded Waste Disposal Authorities will be fined £150 for every tonne of Biodegradable Municipal Waste (BMW) sent to landfill. These are referred to as, "LATS fines" under the Government's Landfill Allowance Trading Scheme. Any fines that are imposed on WLWA by Government would be recharged to individual Boroughs.

3.3 At current tonnage levels, if Hounslow were recharged these 'LATS fines', in proportion to the amount of Hounslow's waste WLWA disposes of on our behalf, the fines could amount to £3.5 million pounds per annum by 2010.

3.4 Further financial incentives apply through escalating landfill tax, which will increase year on year, by £8 per tonne from the 07/08 level of £24 per tonne. This tax applies to all waste sent to landfill. The 'LATS fines' apply to BMW. In 2006/7 Hounslow sent 108,000 tonnes to landfill. The £8 per tonne extra landfill tax will cost an additional £864,000 in 2008/09 alone.

3.5 These costs are in addition to the existing £6million pound cost on Hounslow in 2007/8 for waste disposal. Early indications are that a 'do nothing' approach of continuing to landfill waste at our current rates would more than double costs of waste disposal by 2010 – broadly equivalent to an increase of between £70 - £80 on Council Tax bills. Costs and bills escalate even higher beyond 2010.

3.6 At the Member Workshops there was recognition that major changes will be needed in order to implement the objectives of the Strategy and avoid the potential escalating costs of waste disposal.

4.0 THE FUTURE DIRECTION

4.1 It was concluded that the future approach to waste management should be one that:

- avoided sending waste to landfill
- particularly avoided sending biodegradable waste to landfill
- ensured a higher capture rate for materials that could be recycled or composted
- ensured greater participation in recycling services
- increased the materials for recycling and composting eg kitchen waste and plastics
- resulted in less residual waste generally
- minimised the increase in the costs of waste disposal

4.2 To deliver this approach would require increased investment in recycling collection services and resources to improve participation in the new services.

5.0 THE OPTIONS FOR COLLECTION SERVICES IN THE FUTURE

The Workshops analysed the different options for waste collection and recycling services in the future.

5.1 Dry Recyclables

5.2 One key conclusion was to retain the source separated approach to recyclable waste. In essence retaining the current 'Green Box' arrangements as the foundation of our recycling efforts. The main considerations supporting this were:

- Retention of a collection service that was familiar to local residents
- The alternative would involve collecting recyclables in a 'co-mingled collection' requiring local facilities (a materials recycling facility (MRF) to separate the recycled material into reusable material. These facilities are currently not in existence locally. Also the 'quality' of the recyclable material is reduced due to contamination through co-mingling different types of waste.
- Whilst 'co-mingled collections' are not necessarily dependant on any particular receptacle, many local authorities that use such collections have introduced a wheeled bin for the dry recyclables. There was general consensus that wheeled bins were impracticable for many parts of the Borough – terraced houses etc.; would provide logistical problems for collection – heavily parked streets; and could have a detrimental effect on the 'look of the street'. There would be capital costs of providing wheeled bins. At current prices it would cost around £1million to supply one wheeled bin to each household other than flats. *See further comments below on wheeled bins for residual waste.*

5.3 There was considerable support for retaining the current range of materials collected and adding plastics to the kerbside recycling collection service. Whilst the capture of plastics did not materially affect our efforts to reduce BMW to landfill, there was evidence that residents wanted this service and failure to include plastics was deterring potential recyclers. It was agreed that a receptacle for plastics alongside the Green Box was needed to ensure plastics did not displace other recyclable material from the Green Box. There was a preference to collect all plastics rather than plastic bottles only. This will need to be reviewed at a later stage as the range of plastics collected affects costs of collection but the situation is fluid as increasingly new recycling facilities for plastics are being developed.

5.4 It was agreed that the dry recyclable collection should remain a weekly service. There was also agreement that more robust monitoring of the service quality issues (eg. uncollected boxes, boxes not returned appropriately) was needed in the future.

6.0 Garden Waste

6.1 The garden waste collection service was seen to be generally well received and should continue as a weekly collection. The main areas of discussion revolved around:

- The appropriate receptacle for collection. Again a bin collection was not supported due to the reasons in 5.2 above and also this could lead to an escalation of garden waste (and also other contaminants) into the waste stream ie. we would be collecting material that is not currently presented for collection.
- Whether the service should be free ie. no charge for sacks. There was concern that a free service could bring material into the waste stream for collection that currently is not being collected. However, a free service could provide an incentive not to secrete garden waste in black sacks. Whilst it is difficult to anticipate the costs of individual services in the future – much is dependant on the length of contract, what services are included in a new contract etc., a free garden waste service for the Borough could cost an additional £300,000 on top of the current net cost of £300,000. A free service would expect to deliver higher composting performance and potential savings on disposal costs from reduced tonnages going to landfill.

7.0 Kitchen Waste

7.1 The separation and capture of kitchen waste was seen to be a crucial element in ensuring we meet LATS targets for reducing BMW to landfill in the future. It was agreed that a 'caddy' for kitchen waste to be presented and collected alongside the Green Box was the preferable option. This was continuing the theme of source separation for recyclable and compostable materials. An alternative could be a combined kitchen waste/garden waste collection that would require wheeled bins and incur higher gate fees for treating garden waste than would otherwise apply.

7.2 Whilst collecting kitchen waste from flats was problematical it was agreed to ensure the widest range of recycling facilities was available at locations readily accessible to residents living in flats, through development of existing 'near entry' recycling facilities.

7.3 It is difficult to predict the additional costs of waste collection in providing additional collections for plastics or kitchen waste alongside the current range of material collected for recycling. This is subject to the length of contract, what ancillary services are included in the contract, who retains the value of the recycling materials etc. It should be anticipated that there would be an additional revenue cost of up to £1 million to secure the arrangements set out above. These costs need to be set against the saved disposal costs and the fact that re-tendering existing services (without enhancements) would in itself require additional resources.

8.0 Residual Waste

8.1 The Workshop heard that the high performers for recycling and composting, in addition to the type of services mentioned above, had moved to a fortnightly collection for residual waste. In making that transition wheeled bins for residual waste had been introduced. See 5.2 above for indicative capital costs of supplying wheeled bins. Given the general lack of support at the Workshop for wheeled bin collections for other materials (and the capital costs of providing the bins) the Workshop felt retention of a weekly black sack collection was the preferred option at this stage. However, there was the potential that retaining a weekly residual waste collection service may not encourage high participation in the recycling collections, in particular the kitchen waste collection service.

8.2 Retention of black bag collections for residual waste should be supported by ensuring that residual waste bags were not presented early for collection. As part of this, any new arrangements should consider collections not commencing at the current time in the morning which was considered to be detrimental to waste being presented on the day of collection.

8.3 The arrangements set out above also have the benefit of being an evolutionary expansion of current arrangements. Whilst introducing collections for additional materials, they retain the concept of source separation of waste. This has the benefit of minimising contamination of recyclables; enabling the least expensive waste processing facilities to be used; and providing a flexible opportunity to allow for emerging disposal and treatment technologies to be used in the future.

9.0 RECOMMENDED WASTE MANAGEMENT ARRANGEMENTS

9.1 Collection services

Green box – source separated as existing service continuing to collect current materials on a weekly basis. Potential to include small electrical items.

Plastic – collected alongside the Green Box service (weekly) in an additional container (second green box or disposable or reusable bag).

Kitchen waste – in a kitchen caddy collected alongside the green box on a weekly basis.

Garden waste – in a sack (biodegradable) on a weekly basis – no charge for bags.

Residual waste – in a 'black bag', provided by resident, collected weekly

All the recycling and residual waste collection services should be weekly and be collected the same day from a particular household.

Retain arrangements similar to present for collection of **clinical waste**

Retain current **Bring Sites**

Continue with **Bulky Household Refuse Service** – potential to capture more recyclable material particularly waste electric and electronic equipment.

To continue with a **trade waste collection service**, in accordance with the Council's statutory responsibilities.

10.0 THE PROPOSED TIMETABLE FOR CHANGE

10.1 A number of issues are coming together that means Hounslow must move forward on deciding the future arrangements for waste collection in the future.

10.2 As discussed above, there is the potential for LATS fines to become relevant to WLWA and to Hounslow from 2009/10. This is in addition to the escalating costs of continuing to landfill our waste.

10.3 A grant from central government (Defra) is currently supporting revenue budgets and is allocated to provide the current plastics recycling service at our bring sites; pays for the full year garden waste service; and supports officers in the recycling team involved in promoting and supporting recycling services. This funding has been available since 2005/6. 2007/8 is the third and final year for this grant funding.

10.4 Whilst the extension period on the current recycling collection contract has been activated, future arrangements need to be confirmed to inform the tendering process for recycling and waste collection services in the future. The contract value of the services concerned exceeds the monetary threshold within the Public Sector and Utilities Procurement Regulations 2006 and need to be tendered in accordance with those Regulations.

10.5 The procurement strategy would comprise four elements: meeting legislative requirements through a robust competitive tender process; seeking to ensure new services deliver waste management targets and deliver improved service quality standards; deliver the preferred arrangements set out above as far as available resources allow; deliver a solution that ensures effective use of resources, flexibility and proactive management by the service providers and protection of the Council from risk.

10.6 Implementing these changes will require an awareness campaign emphasising the need to improve our recycling and composting performance and the implications (particularly in terms of cost) of doing nothing.

10.7 It is planned to have the new arrangements in place, following the tendering process and extensive publicity, by late 2008.

11.0 COMMENTS OF HEAD OF CORPORATE PROCUREMENT have been included in the report.

12.0 COMMENTS OF DIRECTOR OF LEGAL SERVICES have been included in the report.

13.0 COMMENTS OF DIRECTOR OF FINANCE

13.1 Recent Budget reports have consistently drawn Members attention to the complexity of the waste service and to the increasing costs which the Council faces for the whole service – the collection and the recycling services which the Council operates and the disposal service costs which come from the WLWA levy. The Director of Street Management and Public Protection draws Members’ attention in his report to these costs and to the LATS fines and taxes which the Council could face. These fines and taxes together with the permits trading system are complex and must be fully understood by Members when discussing waste management.

13.2 Ignoring waste costs is simply not possible and the retendering process has to be commenced as explained in the report. Further reports will be required during the retendering process and also in respect of recent policy statements made by the Government.

Background Papers: WLWA Authority Joint Municipal Waste Strategy. Waste Strategy for England 2007. Borough Council Report – Joint Municipal Waste Strategy for West London -26 September 2006.

This report has been or is due to be considered by:
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This report is relevant to the following wards/areas:
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