

LEISURE & ENVIRONMENT COMMITTEE

21 SEPTEMBER 2021

ENVIRONMENT BILL 2021

1.0 Purpose of Report

1.1 To update Members on the details of the Government's Waste & Resource Strategy through the Environment Bill and the potential implications for Newark & Sherwood District Council.

2.0 Background Information

2.1 In 2015 the Government published its 25 year environment plan which was later followed by the Waste & Resources Strategy. That Strategy set out a number of significant changes to waste collection and management withing England with the focus on the 'polluter pays' principle.

2.2 This strategy set out 3 areas for consideration:

- Extended producer responsibility
- Consistency in recycling collections
- A deposit and return scheme

2.3 Consolation on these areas has now finished and the Environment Bill is expected to set the framework for these schemes this autumn. This report focuses on the consistency in recycling collections, the impact this may have on NSDC and our partners and how services may be affected by other elements in the Environment Bill.

3.0 New Service Standards

3.1 The Government has indicated that they want the following items collected separately from each other and other wastes:

- Glass
- Metal
- Plastic
- Paper and card
- Food waste
- Garden waste

3.2 For clarification the initial consultation proposes that:

- Paper and card would not include disposable cups
- Metal will include aluminium foil, aluminium food trays and aerosols
- Plastic will include plastic film (which should be phased in for collection from households by 2026/27) and should include food and drink cartons

3.3 Two or more recyclable waste streams may be collected together where:

- it is not technically or economically practicable to collect recyclable waste streams separately, or

- collecting recyclable household waste in those recyclable waste streams separately has no significant environmental benefit
- 3.4 Separate collections are to occur by default. If a council wishes to collect 2 or more waste streams together they must prove why separate collections are not Technically, Economically or Environmentally Practicable.
- 3.5 There are 2 exceptions to this rule:
- plastic and metal or
 - glass and metal
- can be collected together without further justifying paperwork.
- 3.6 'Minimum service standards' (MSS) will be set out for all household collections, including flats.
- 3.7 **Food Waste**
The Environment Bill mandates:
- That food waste is collected at least weekly from households
 - Recyclable waste including food waste is to be collected separately from other household waste.
- 3.8 Government does not expect any local authorities that currently collect residual waste on a fortnightly basis would need to reduce their capacity of collection or frequency further as a result of consistency measures.
- 3.9 **Food and Garden Waste**
Following consultation, Government will provide further information on recommended minimum service standards for the collection of food and garden waste in guidance.
- 3.10 Where a waste disposal authority (e.g. Nottinghamshire County Council), has a long term disposal contract affected by introducing separate food waste collections (such as delivery of residual material to energy from waste schemes), then those authorities should seek to introduce separate food and waste collections as soon as contracts allow with an end date to meet this requirement set between 2024/25 and 2030/31.
- 4.0 New Burdens**
- 4.1 In the Resources & Waste Strategy DEFRA committed to fund the additional cost to local authorities of the new statutory duties placed upon them. Some more details about this have now emerged – net additional capital costs and transitional costs will be met from a £300 million pot.
- 4.2 There are 333 councils in England and the Government is proposing capital expenditure support of £200 Million with £100 million transitional fees. If the funding was split equally through across every council it equates to £900,900 per authority, however this will not be the case.

- 4.3 Councils will not receive funding for services they already provide. For instance if an authority already offers a weekly food waste collection service, then no funding will be made available for that service. Much of the funding will probably be spent on the variation and termination of disposal contracts to adjust to the new burdens, by its nature this will move a significant portion of the funds to the Waste Disposal Authorities (Usually County or Unitary authorities).
- 4.4 It also appears that DEFRA will decide which authorities get the transitional funding. It will not be decided via any application process, rather by DEFRA making the decision based on their assessment of authority needs.

5.0 Implications

- 5.1 There are some significant implications resulting from this new information, of significant concern is the anticipated increase in operational costs which it appears will not be funded by Government.
- 5.2 All these new services will lead to an increase in vehicle numbers. This could increase emissions and would create a situation when there simply is not enough parking space at the Brunel Drive Depot.
- 5.3 In addition, if we are placed in a situation where multiple waste streams have to be collected separately then that will mean a significant increase in the number of crews and vehicles required. In the event that a 'kerbside sort' system is implemented collection speeds will fall and we can anticipate a rise in sickness levels from manual handling injuries and musculoskeletal disorders.
- 5.3 A fall in residual bin weights will permit some diversion of resources, but the Government's insistence that residual collection frequencies are not reduced prevents opportunities for significant reallocation of resources. A reduction in residual bin weight can be expected, but this is only one factor, ultimately collections are limited by the number of bins collected and the distance travelled each day.
- 5.4 If fortnightly residual collections are maintained, we may see a decrease in the use of the garden recycling schemes and bulky waste services as residents utilise the capacity generated in their residual bins for these items.
- 5.5 It is anticipated that we will see an increase in vehicle costs and we anticipate major problems with vehicle supplies. With every Waste Collection Authority in the country ordering and updating multiple vehicles at the same time, suppliers are going to struggle to meet demand. This will also be true for other key elements required for collection such as containers (bins and caddy's) and possibly PPE.

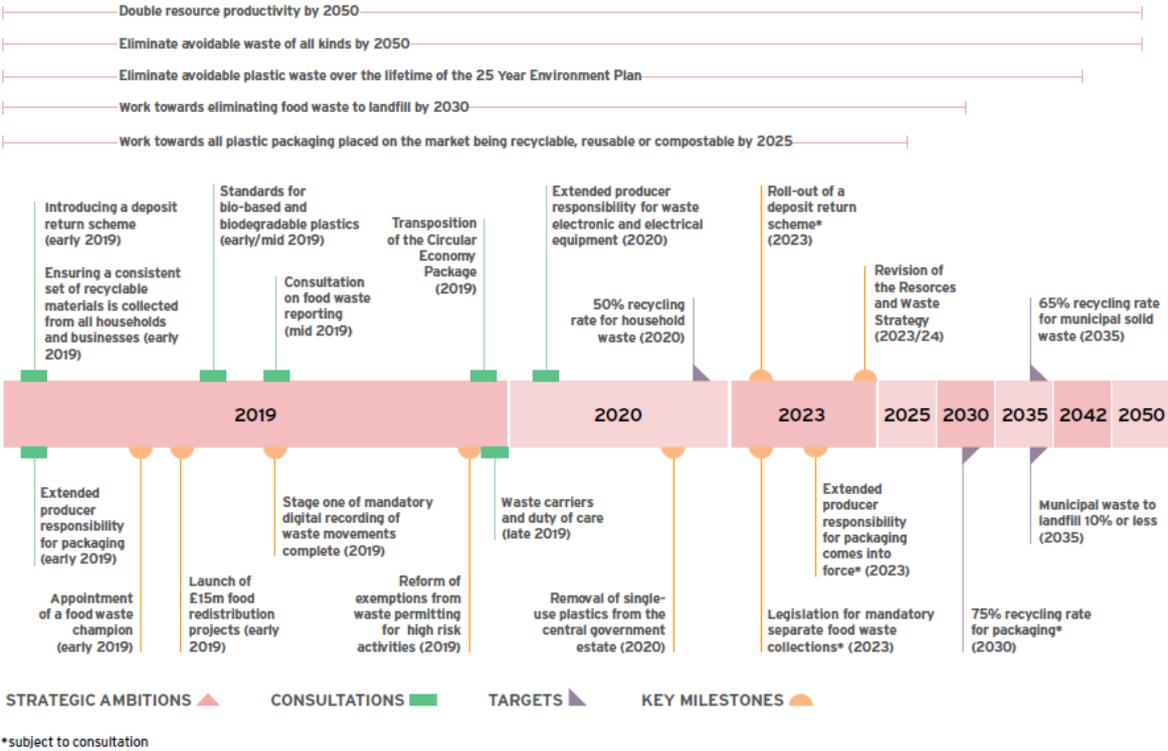
6.0 Uncertainties

- 6.1 Until further clarification is provided, Nottinghamshire County Council are not in a position to alter their existing contract with Veolia. This contract is currently set to run until 2032. Until decisions are made around this contract and the disposal points available to us, we cannot begin to look at the logistics of these new collections in any detail.

- 6.2 There are 2 other strands to the Environment Bill which may also have an impact on collection services:
- Extended producer responsibility
 - Deposit and Return Schemes
- 6.3 A **Deposit and return Scheme** (DRS) will result in a small refundable charge (around 20p) being levied on a range of 'on the go' food and drink packaging, such as plastic bottles and coffee cups. What is not clear at this stage is the full scope of the materials to be collected. There is a degree of uncertainty around glass bottles and other items and whether the charge will apply to multipack items brought in supermarkets etc.
- 6.4 DRS is significant because it could divert a substantial percentage of material away from kerbside collections. This would impact recycling rates and the collection logistics required to conduct collection and disposal services.
- 6.5 **Extended producer responsibility** (EPR) will see recycling labelling standardised across all packaging producers and impose on them a requirement to ensure the material they place on the market is recyclable.
- 6.6 Under the proposals set out in this consultation, packaging producers will be made responsible for the full cost of managing the packaging they place on the market. Government estimates that their costs will be in the region of £2.7bn in the first full year of implementation.
- 6.7 This cost transfer, from the public purse and those who dispose of packaging waste, will incentivise producers to question whether the packaging they use is necessary, could be reduced or not used at all. Government also proposes introducing obligations, possibly in the form of packaging reuse targets from 2025, to provide an additional incentive to reduce packaging use and encourage take up of reuse or refill models.
- 6.8 What is not clear is how the funds generated from this scheme will be disseminated through the waste industry. It is not anticipated that the scheme will be in full operation before 2025 and as the scheme continues, the revenues generated from it are likely to fall as companies switch to reuse and refill models. If, as collection weights fall collection frequencies are allowed to fall, then these 2 policies are well matched; however the Government's reluctance on reducing residual waste collections indicates this may not be possible

7.0 Timeline

KEY MILESTONES



7.1 When the Waste & Resources Strategy was published in 2018 it included a set of Targets and Key Milestones as shown in the timeline above. It does appear that despite some setbacks due to the Covid 19 Pandemic plans are still in place to reach these targets and milestones.

7.2 It is worth noting that although the DRS and EPR schemes are slated for introduction in 2023, it is only the legislation for mandatory separate food waste collections that comes into place in the same year. This may provide some breathing room whilst the impacts of DRS are assessed and the EPR model is finalised.

8.0 Summary

8.1 In summary, the situation is that we know significant changes are coming and we will continue to work with our partners to anticipate and prepare for these changes, but until we have further clarification on the disposal facilities available we are unable to fully plan any logistical detail. It is the nature of these facilities that will dictate the final form of new collection services.

8.2 It is still uncertain how much funding (if any) will be made available for the transition to the new services and if EPR funding will be made available for the ongoing costs of increased front line collections.

8.3 The impact of DRS is unknown, but it could result in a significant diversion of waste away from the domestic stream.

9.0 Equalities Implications

9.1 None at this stage any future alterations to services may have Equalities implications.

10.0 Financial Implications (FIN21-22/1942)

10.1 There are no immediate financial implications. There will be initial set up costs and costs to buy new vehicles, but it is hoped funding will be available for this stage. However, once implemented, there will be an annual increased cost to the service. At this stage it is not known how many extra rounds, vehicles, or staff are required, but it is likely to be a significant cost.

10.2 At present, the Waste & Recycling Service Net budget for 2021/22 is £886,270. This is 12% of the £7,281,740 budgeted to be collected through Council Tax in 2021/22, and thus an average of £7.24 in 2021/22 for each of the district's approximately 122,400 residents.

10.3 The extra costs will also need to run alongside the electrification of vehicles so this can also be factored into the costs.

11.0 RECOMMENDATIONS that:

(a) the information contained in the report be noted; and

(b) a follow-up report is brought before Members once the Environment Bill is passed and its implications can be assessed.

Reason for Recommendations

To provide up dated information to Members with regards to the national policy on recycling.

Background Papers

National Waste Strategy
(available upon request)

For further information please contact Matt Adey on Ext 5253

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