

Report to: Policy & Performance Improvement Committee: 1 September 2025

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Report Summary			
Report Title	Changes to National Recycling Policies Update		
Purpose of Report	That the Policy & Performance Improvement Committee note: -The NSDC progress against the new legislative requirements; and to inform Members of the impact that the changing legislation will have on the Authority		
Recommendations	That the Policy & Performance Improvement Committee note: a) the current status of the project; and b) that Officers are to provide further updates where required.		

1.0 Background

- 1.1 In 2018, the former Government laid its plans to revolutionise the way local authorities collected and managed recyclable waste through the National Resources & Waste Strategy. This has since been reviewed and is now being progressed under the title of 'Simpler Recycling'. One of the key parts of this strategy is the move to create consistent waste and recycling collections for households and businesses across the UK and to mandate local authorities to collect food waste on a weekly schedule.
- 1.2 For Newark & Sherwood, this will mean that items such as foil, food and beverage cartons and plastic tubs, pots and trays will also be acceptable in the silver bin mixed with the existing range of materials such plastic bottles, food and drink cans, aerosols and paper and card.
- 1.3 Simpler Recycling will end the 'postcode lottery' of bin collection and residents will be able to recycle the same materials at home, work or school all across the country.
- 1.4 The default requirement for bins includes those for residual waste, food waste, paper and card and all other recycling (plastic, metal and glass). However, the Government does allow some flexibility for co-collecting paper and card providing an assessment is carried out to explain why a separate collection cannot take place.

- 1.5 From Newark & Sherwood's perspective, this is due to the existing long term disposal contract that is in place with Veolia. However, when this expires in 2033, there would be an expectation to reassess whether co-collecting paper and card remains 'not economically practicable'.
- 1.6 Simpler recycling does not include the requirement to provide a garden waste service however it is still the intention of Newark & Sherwood District Council to continue collecting this separately as there is a significant carbon benefit to composting this waste and it generates significant revenue to the Council (estimated to be over £800,000 this year).
- 1.7 Simpler recycling is also about supporting the move towards a zero waste, circular economy and help meet the national recycling target of 65% by 2035 which is a significant rise from 44.6% in 2023.
- 1.8 It will also deliver emissions savings and reduce the carbon impact of managing the waste we produce by creating UK markets for recycled materials.

Timelines

- 1.9 The simpler recycling policy is being introduced in Nottinghamshire in phases over a period of two and a half years.
- 1.10 For contractual reasons and the time required to establish the necessary disposal infrastructure, a transitional arrangement was agreed with DEFRA meaning that food waste collections will start 18 months later than the default start date that had been set by government.
- 1.11 In summary, the dates for implementation for Newark & Sherwood District Council are as follows:

1 April 2025

 Businesses with 10 or more employees and schools are required to arrange the collection of food waste and recycling.

1 April 2026

• Local authorities will be required to collect the core recyclable waste streams. For Newark and Sherwood, this is an expanded range of materials than what is currently accepted

1 April 2027

- Businesses with fewer than 10 employees be required to arrange the collection of food waste and recycling.
- Plastic film collections from the kerbside will need to be introduced. This is 'soft plastics' such as crisp packets, bread bags and bubble wrap.

1 October 2027

 Local authorities will be required to introduce a weekly food waste collection from all households and schools

2.0 Commercial Waste

- 2.1 Leading up to the required changes for businesses from April 2025, we engaged with all of our existing customer base via email to make them aware of the changes in legislation and notified them of the requirements to make collection arrangements for food waste and recycling. This included the extended range of materials for those that already had a recycling collection.
- 2.2 Following discussions with Nottinghamshire County Council and Veolia on disposal options for commercial recycling, a decision was made to amend the offering to businesses to make the transition to simpler recycling more affordable to them.
- 2.3 As the material recycling facility operated by Veolia in Forest Town, Mansfield would not be upgraded to process the new range of materials until April 2026, interim arrangements were put forward to waste collection authorities to take commercial recycling to either Colwick or Alfreton. It was also confirmed that the gate fee would be trebling for the start of the arrangement.
- 2.4 In order to help businesses and avoid passing these costs on to our customers, we offered the opportunity to separate the extended range of materials (cardboard food/beverage cartons, plastic pots and trays, foil and metal tubes) so that the higher gate fee was only levied against a smaller proportion of the recyclable waste. This material is collected by the same team that collect commercial food waste (food waste is collected separately on different days). The rest of the recycling would continue to be collected as normal using existing local disposal routes.
- 2.5 Once the work at recycling facility in Forest Town has been completed and can accept all recycling materials mixed together, we will not need to collect recycling in separate containers or take it to a separate disposal point.
- 2.6 There were two food waste disposal points made available to us by Nottinghamshire County Council for commercial collections so we are disposing of the food waste at the Anaerobic Digester sites in Colwick (20 miles) rather than Derby (40 miles).
- 2.7 A Portfolio Holder report was approved in March 2025 for the increase in establishment by 1 driver to collect commercial food waste and the simpler recycling materials plus a new 11 tonne vehicle at a cost of £135,000 which was funded by the Capital reserve.
- 2.8 The vehicle was wrapped in a Newark and Sherwood District Council decals prior to collections starting on 10th April 2025. Although our customer base is relatively small, (57 customers for simpler recycling and 61 customers for food), it has been gradually growing and the soft launch of these services has been beneficial for us.
- 2.9 If we were not able to offer these services to enable our larger customers in the district to be compliant, it would have likely resulted in a number of them obtaining waste services elsewhere.
- 2.10 The new services are becoming established with only some isolated incidents of contamination being reported as an issue.

2.11 Schools and other educational premises are required to collect the full range of materials in line with businesses although they are not required to separate food waste until domestic properties start in October 2027

3.0 <u>Domestic Waste Services</u>

Mixed Recycling

- 3.1 There has been very little change in terms of the accepted recycling materials in the silver bin ever since the partnership with Veolia started in 2006.
- 3.2 Therefore the new extended range of accepted items from April 2026 will be a very welcome improvement. Food and beverage cartons, plastic tubs, pots and trays and clean aluminium foil will all be accepted alongside the current mix that we already accept. These materials are currently considered contamination and accounts for around 20-25% of the contamination found in our silver bins.
- 3.3 There is a working group which is led by colleagues from the communications teams of Council's across Nottinghamshire who are looking at the best way to inform residents of the changes of what can be recycled at home. This communications programme will launch in the new year.
- 3.4 We will be fully utilising digital platforms and social media to get the messages out, but we may also consider methods such as bin stickers, leaflets or replacing the vinyl wraps on the waste fleet nearer the time with details of the changes.
- 3.5 With the local government reorganisation (LGR) on the horizon, consistent messages across the councils will be very much a priority when considering the information that will be shared.

<u>Glass</u>

3.6 Glass will continue to be collected separately from the kerbside every 8 weeks and we have recently had approval to make the glass transfer station (located in Newark lorry park) a permanent fixture and have some of the restrictions amended to suit the operational need. Noise complaints and issues resulting from the operation of transfer station for the last 18 months have been zero and have had 2 successful audits from the Environment Agency in this time.

Food Waste

- 3.7 In preparation for collections in October 2027, a cabinet report was approved in June 2025 for the purchase of 8 new vehicles at a cost of £1.04m. The order for these vehicles has been placed and we should expect to take delivery in April 2027.
- 3.8 The cost of these vehicles has been funded through government support to facilitate the introduction of food waste collections.

- 3.9 A lot of work has been carried out to ensure that Brunel Drive Depot is capable of accommodating the expanded fleet and a report setting out those changes and required budget was approved by Cabinet last year.
- 3.10 Issues relating to the lease have been addressed, permission to demolish the building has been granted and the rental payments to the landlord needed to be adjusted which means that in the coming weeks, the office block at Farrar Close can be demolished to create the additional vehicle parking required. There will also be work to improve lighting, access and security for the site.
- 3.11 The waste managers from across Nottinghamshire (including Nottingham City) are part of a food waste working group and are considering the various elements associated with introducing the new weekly service in October 2027.
- 3.12 LGR is a constant consideration and the intention is for details such as collection caddy colours, logos and communication messages to be consistent.
- 3.13 The cabinet report highlighted that the disposal point for domestic food waste will be the same location as the commercial food waste in Colwick.
- 3.14 We are aware that participation in food waste schemes is much lower compared to dry recycling due to a number of factors including concerns of odours/flies, lack of information or perceptions that they don't produce enough food waste. 43% of councils in England already collect food waste and data suggests that participation in an average performing scheme is between 35%-55%.
- 3.15 It is anticipated that each participating household will produce around 3kg of food waste per week. If 40% of the District take part, we could expect around 60 tonnes of food waste per week (over 3000 tonnes per year) to be diverted from refuse bins and used to generate electricity and produce compost.
- 3.16 It is the intention to operate a small trial of domestic food waste collections during 2026. This trial will help identify and resolve any teething problems that may arise before the district wide scheme is launched.

4.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection; Digital & Cyber Security; Equality & Diversity; Financial; Human Resources; Human Rights; Legal; Safeguarding & Sustainability and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

Financial Implications FIN24-25/2080

- 4.1 The food waste vehicle required for the commercial waste service was purchased for £124,198 with funds from the Capital Reserve from 24/25. And the budget for 25/26 increased to reflect the new driver role that was created.
- 4.2 The initial running costs of the new vehicle should be minimal in its infancy and will be absorbed by existing budgets.

4.3 The capital costs for the domestic food waste service which was approved at cabinet on 10 June are detailed below.

		2026.27
	NSDC	YEAR 0
CAPITAL	DETAIL	£
<u>Vehicles</u>		
	8 (inc 1 spare) x Food Waste Vehicles @ up to £130k per vehicle	1,040,000
Containers		
	x 55,000 COMBINED 231 @£3.30 + 71 Bins @ £1.15	244,750
Communication		
	Communication Wrap x 8 Vehicles	20,000
TOTAL CAPITAL COSTS		1,304,750

- 4.4 The total Capital cost for 2026/27 is projected to be £1,304,750, down from £1,392,500 reported in May 2023. This decrease is due to the reduction in the number of vehicles from 10 to 8, although the cost per vehicle has risen from £90,000 to up to £130,000.
- The cost of the 23L and 7L bins is now expected to be £244,750, a decrease from the £467,500 reported in May 2023.
- 4.6 Additionally, the cost of communication wraps on vehicles has been revised down from £25,000 (10 vehicles at £2,500 each) to £20,000 (8 vehicles at £2,500 each).
- 4.7 The Council received £1,093,049 from the Department for Environment Food and Rural Affairs (DEFRA) in 2024/25 to facilitate the introduction of food waste collections. This means, the Council needs to finance the remaining cost of £211,701.
- 4.8 The Council also received notification that £1,427,000 would be receivable from Government as part of their new 'Extended Producer Responsibility' (EPR) initiative. This is a revenue grant, and it is proposed that £211,701 is used to finance the Capital funding gap above as a revenue contribution to Capital (RCCO). The remaining £1,215,299 be proposed to be transferred to the Councils' reserve to assist with future funding of the operations, for either Revenue and/or Capital from October 2027 and building a provision for the cost of replacing the vehicles at the end of their useful life.

Revenue

4.9 The table below illustrates estimated annual revenue cost for running the food waste service and shows the change since the last Cabinet report in May 2023. For the purposes of this report, Year 1 shows a full 12months cost; however, as the operations commence Oct 2027, only 6 months will be budgeted for in the first year of operation.

	NSDC	May-23	Jun-25
REVENUE	DETAIL	£	£
One Off:			
Containers			
	Food Waste Liners - 1 FREE roll per Household (half year only)	143,000	-
Communication			
	Communication	59,750	99,000
On going:			
<u>Vehicles</u>			
	MRP & Interest for ALL Capital associated	265,351	-
	Vehicle Running Costs	203,500	181,250
Staffing			
	Drivers & Loaders	716,747	704,900
	Fitter/Mechanic	42,010	54,340
Containers			
	Replacements Bins	21,709	12,240
Contingency			
	System updates for rounds, R&R for Vehicles, Clothing & uniforms PPE and other unforeseen	-	25,000
TOTAL REVENUE COSTS		1,452,067	1,076,730

- 4.10 Annual revenue costs have decreased to an estimated £1,076,730 from the £1,452,067 that was reported in May 2023 with the cost of MRP being removed as there is now no need to borrow to purchase the vehicles, saving £265,351 per year.
- 4.11 The Bin Liners have been removed saving £143,000 (was just a one-off cost in year 1). Communication one off cost in year 1 has increased to £99,000 from the £59,750 reported in May 2023. Revised leaflet cost x household numbers assumed at 55,000.
- 4.12 Vehicle Running Costs have been revised based on a similar vehicle size to £25k per vehicle from £22k per vehicle, and 2 less vehicles; x 7.25 vehicles. £181,250 from the £203,500 that was reported May 2023.
- 4.13 Staffing costs have decreased. It was assumed that we would use a 7.5 tonne vehicle where LGV Licence was not required and therefore not needing to hire drivers on NS7, however this has now changed, and the size of the vehicle would be 11 tonnes. We have revised the 24 operatives to 9 Drivers and 9 Operatives (18 in total). Costs are now £704,900 from the £716,747 that was reported in May 2023. In addition to the operatives there is a mechanic that we have revised the salary figures on using 2027/28 plus the £5k Market Supplement currently in place from other mechanics. Now £54,340 from the £42,010 reported May 2023.
- 4.14 Replacement Bins has been revised down to £12,240 from £21,709 using the revised figures for the 23I + 7I bins.
- 4.15 A contingency budget to cover R&R, Software round updates, PPE, and any other unforeseen costs has been included, following lessons learnt from the Glass Recycling scheme of £25,000 per annum.
- 4.16 Inflation has been revised to 2% from 5% each year. Salaries remain with 3% inflation. It is debateable whether the inflation should just be 2% on vehicles, given transport inflation falls outside of the scope of general inflation, but this can be refined during budget setting.

4.17 2027/28 financial year has been calculated using a full 12 months; this may be revised down depending on start dates of new employees. The table below illustrates the Revenue impact on the MTFP for the future residential food waste collections (albeit year one shows a full year cost, this will be revised closer to the time when more accurate costings will be available):

		2027.28	2028.29	2029.30	2030.31	2031.32
	NSDC	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
REVENUE	DETAIL	£	£	£	£	£
One Off: Communication						
	Communication (assumption - leaflets)	99,000	-	-	-	-
On going:						
<u>Vehicles</u>						
	Running Costs per Annum on 7.25 Vehicles @£25k per vehicle	181,250	184,880	188,580	192,350	196,200
Staffing						
	Drivers x 9 & Loaders x 9 @NS5/NS7	704,900	726,050	747,830	770,260	793,370
	Fitter/Mechanic x1 @NS9 £42,010	54,340	55,970	57,650	59,380	61,160
Containers						
	Replacements x 2,750 (5%) COMBINED 23I @£3.30 + 7I Bins @ £1.15	12,240	12,480	12,730	12,980	13,240
Contingency						
	System updates for rounds, R&R for Vehicles, Clothing & uniforms PPE and other unforeseen costs. This can be revised when in practice.	25,000.00	25,000.00	25,000.00	25,000.00	25,000.00
TOTAL REVENUE COSTS	-	1,076,730	1,004,380	1,031,790	1,059,970	1,088,970

<u>Funding</u>

	Capital	Revenue
Grant received by 31 March 2025		
DEFRA	1,093,049	260,040
Grant Due:		
DEFRA		97,323
Extended Producer Responsibility*		1,215,299
Extended Producer Responsibility	211,701	
Total Grant	1,304,750	1,572,662

^{*£1,427,000} total grant expected, less £211,701 committed to Capital as per paragraph 4.8

4.18 From 2027/28 the EPR grant is expected to meet the cost of the operations; EPR is expected to be an annual grant however, it is not currently known how much grant will be allocated each year. Of the total £2,877,412 funding received, £1,304,750 will be used for Capital and the remaining £1,572,662 will be in a reserve and drip fed into revenue as required should the EPR grant not cover the total cost of running the service.

- 4.19 In 2024/25 The Council received £260,040 New Burdens funding from DEFRA for the delivery of containers and project management and has been made aware that a further £97,323 is due to be received in 2025/26 for the Procurement and Communications of the new operations. These funds are and will be transferred to the Residential Food Waste Reserve until they are required.
- 4.20 The rental at paragraph 3.10 will result in a large payment for backdated rent, expected to be £94,500. Provision has been made to cover that payment in 2024/25's accounts and the budget will be increased accordingly during the 2026/27 budget setting process.

5.0 **Summary**

- 5.1 Newark & Sherwood District Council are very well placed to continue to adapt to the new requirements of the Simpler Recycling legislation.
- 5.2 In April 2025 the new vehicle was operating and offering businesses in the district the opportunity to manage their waste and be legally compliant through our services by collecting food waste and recycling on dedicated days.
- 5.3 We have maintained our customer base by remaining competitive and the number accessing the new services are continuing to grow.
- 5.4 Work is already underway to develop a robust, consistent and clear communications campaign to notify residents of changes to their recycling collections in April 2026. We already have the lowest contamination rate in the County but with more items being classed as 'target materials' rather than contamination then this figure will certainly fall lower than 13.6% in 2024/25.
- 5.5 Although weekly food waste collections are still more than two years away, it was essential that steps were taken now to ensure that we have the depot capacity for the vehicles and to place the order for the vehicles we need. Having concluded the relevant democratic processes to order the vehicles and we are in the final stages of arranging for the demolition and remedial work to be carried out at Farrar Close, we are already well prepared to facilitate this new service.
- 5.6 Work can now take place to notify the relevant authorities of the intention to increase the fleet size operating from Brunel Drive Depot and the procurement for caddies and planning for distribution can start to be considered.