

Report of	Meeting	Date
Director (Customer and Digital) (Introduced by Executive Member (Customer, Streetscene and Environment))	Executive Cabinet	Thursday, 21 March 2024

## Food waste collections and waste service development

Is this report confidential?	No
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Is this decision key?	Yes
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<b>Savings or expenditure amounting to greater than £100,000</b>	Significant impact on 2 or more council wards
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### Purpose of the Report

- To approve changes to support the introduction of new statutory food collections.

### Recommendations to Executive Cabinet

- Introduce statutory weekly food waste collections to all properties across Chorley by 31 March 2026.
- Proceed to procure non-vented food waste caddies and liners via public sector frameworks and further competition tender exercise.
- Proceed to procure specialised food waste collection vehicles via public sector frameworks and further competition tender exercise.
- Agree the tender evaluation criteria for food waste containers and collection vehicles, based on 80% cost and 20% quality ratio.
- Delegate to the Executive Member for Resources the authority to approve the award of contracts to the winning bidders.
- Undertake an options modelling exercise to ensure the waste and recycling service is fully reviewed and achieves the councils environmental and fiscal priorities through improvements to collection rounds and frequencies.

8. To present a further report for approval of capital budgets for this project including a decision on the operating model and any improvements to existing service delivery.

**Reasons for recommendations**

9. The Environment Act 2021 sets into legislation the requirement for waste collection authorities to provide weekly food waste collections to all households by 31 March 2026.
10. It is anticipated that large numbers of local authorities will implement new or extended food waste collection services between 2024 and 2026. There will be a very high demand for new vehicles, containers, and liners during this period and so an early decision on key service elements will confirm tender specifications and enable procurements via frameworks to proceed without delay.
11. Although a high value procurement usually requires a standard weighting of 15% for social value to be evaluated, it is proposed that this is exempted due to the nature of the assets to be procured.
12. Delegated approval for contract awards is requested to streamline the procurement process.

**Other options considered and rejected**

13. To not introduce separate weekly food waste collections would be in breach of statutory duties imposed by the Environmental Protection Act 1990.
14. To introduce co-collected food waste would undermine the financial integrity of services.

**Corporate priorities**

15. The report relates to the following corporate priorities:

Housing where residents can live well	<b>A green and sustainable borough</b>
An enterprising economy with vibrant local centres in urban and rural areas	Healthy, safe and engaged communities

**Background to the report**

16. The Resources and Waste Strategy for England was published in 2018 and sets out the Government's ambition to improve recycling rates and transition to a Circular Economy. The Government has set a target of 65% recycling by 2035.
17. The Environment Act 2021 sets into legislation the requirement for local authorities to collect a consistent range of dry recyclable materials and to collect food waste from all households and businesses.

18. In October 2023 reforms to household waste and recycling collections were published by Defra through their 'Simpler Recycling' plan with the aim to boost recycling rates and put an end to confusion over what can and can't be recycled.
19. Waste collection authorities are required to introduce weekly food waste collections to all households by 31 March 2026.
20. The requirement to collect food waste separately from all households no less frequently than weekly will be a new duty for local authorities and therefore fall under New Burdens funding.
21. Funding has recently been confirmed by Defra for capital costs (for new vehicles and containers), and will be provided for transitional costs, resource costs and ongoing service revenue costs, subject to future spending reviews.
22. Capital funding will be provided through Section 31 grants in this financial year on a non-ringfenced basis. Resource transitional funding will be provided from the 2024/25 financial year, and ongoing resource/revenue costs will be provided from 1 April 2026.
23. There are concerns that the capital funding allocation may fall short of the actual costs of procuring containers and vehicles. The Lancashire Waste Partnership on behalf of all district councils will write to Defra to seek assurances that all reasonable capital costs will be funded in full by Government.

### Key service elements

24. The fundamental elements proposed for a new food waste service are:

Service Item	Specification (subject to modelling)
Kitchen caddies	Size/capacity: 7-litres  Colour: Silver Grey  Design: Solid (not vented)
Kerbside caddies	Size/capacity: 23-litres  Colour: Silver Grey
Kitchen caddy liners	Compostable / polyethylene sacks
Food waste vehicles	7.5 tonne - 12 tonne with bin lifts and support bins  A minimum diesel Euro VI specification with biofuel capability, or fully electric vehicle if feasible

25. A standard 7-litre and 23-litre container will be ample for most households on a weekly separate food collection cycle. This size of container is typically used in separate weekly food waste collection services across the UK.

26. The initial provision of liners for the kitchen caddy is strongly recommended to ensure good uptake of the scheme. Evidence from food waste schemes show that residents prefer to use liners to keep their internal kitchen caddy and external container clean and hygienic, and transfer food waste from the kitchen caddy to the external container securely. Furthermore, participation in food waste recycling schemes is higher when liners are used and provided as part of the service.
27. Specialised collection vehicles are available which have been designed for the collection of food waste. Small collection vehicles with a gross vehicle weight (GVW) of 7.5 tonnes with a 2.5 to 3 tonne payload, or 12 tonnes GVW with a 6 tonne payload, have proved highly effective in the UK.
28. The preferred option is provisionally 12 tonne vehicles as they provide sufficient capacity to ensure the efficiency of a single tip off each day, plus an allowance for future growth in food waste performance and tonnages. This is subject to a detailed assessment of the required resources through service modelling and external validation.

## Procurement

29. Using established procurement frameworks rather than tendering separately should help to streamline procurement as suppliers will be familiar with the framework tender documents and templates.
30. Suppliers awarded onto these frameworks will have been evaluated as capable of delivering the scope of requirements under the framework. There will either be a 'call off' from the framework or we can run further competition, often referred to as a 'mini competition', which is only open to the framework suppliers.
31. The evaluation of tenders will be based on 80% cost and 20% quality ratio.
32. Although a high value procurement usually requires a standard weighting of 15% for social value to be included in the evaluation, it is proposed that this is exempted due to the nature of the assets (purchase of fleet and containers) to be procured. The quality criteria will incorporate an evaluation of environmental benefits. Furthermore, the framework suppliers have already demonstrated elements of social value in order to be accepted onto the frameworks.
33. Officers will evaluate the feasibility and benefits of jointly procuring containers and vehicles with South Ribble Council and potentially other district councils with the same requirements.

## Service delivery options

34. The following table indicates the potential options for service delivery of food waste collections.

Option	Chorley
1	FCC is invited to operate the new food waste service, as an addition to the current waste services contract (to 2029)
2	The new food waste service is put out to open tender for waste service providers to bid for
3	Food waste services are operated directly by Chorley Council

4	A new food waste service for both Chorley and South Ribble is operated by South Ribble Council
5	A new food waste service for both Chorley and South Ribble is put out to open tender for waste service providers to bid for

### **Depot space**

35. Both Chorley and South Ribble waste collection fleets are based at South Ribble's Moss Side depot.
36. A separate review of the requirements to facilitate additional vehicles for food collections will be undertaken.

### **Food waste recycling**

37. Lancashire County Council as the waste disposal authority has the responsibility for ensuring there are suitable facilities to process food waste collected by the districts.
38. LCC has plans to refurbish existing equipment already in place at the Farington Waste Recovery Park. The anaerobic digestion process will transform food waste into renewable electricity and a nutrient rich soil improver and liquid biofertiliser for agriculture.
39. The process provides a source of renewable energy, since the food waste is broken down to produce biogas (a mixture of methane and carbon dioxide) for electricity generation.

### **Other waste service changes**

40. With a comprehensive range of recycling services including food waste, there is potential to drive up recycling rates and reduce waste even further.
41. The Government have specified that they 'expect a minimum service frequency for residual waste collections of fortnightly', however the council awaits the publication of new statutory guidance to confirm whether this will be mandated or if councils will be free to decide locally the frequency of waste collections.
42. The existing collection systems in Chorley are achieving ~46% recycling rate. With the addition of food waste this could increase by around 10%, but this is still a considerable way short of the 65% recycling target.
43. Waste collections service delivery options will be modelled and reported on further at a later date.

### **Climate change and air quality**

44. The work noted in this report has an overall positive impact on the Councils Carbon emissions and the wider Climate Emergency and sustainability targets of the Council.
45. In particular the report impacts on the following activities:

- a. net carbon zero by 2030,
  - b. renewable energy sources
  - c. waste
46. The following mitigation measures have been undertaken to limit the environmental impact:
- Consider electric vehicles if feasible for food waste collections.
  - Specify compatibility with sustainable biofuels.
  - Recycled plastic content of food waste caddies.

## **Equality and diversity**

47. The proposals within the paper will not have any impacts on individuals who have protected characteristics. However, an Impact Assessment for the new service will be completed when the key service elements, service delivery model, and service design have been agreed and finalised, but well in advance of implementing any service changes.

## **Risk**

48. The level of Government funding arising from the Government's waste collection and packaging reforms is not yet confirmed in full. However, Government has confirmed the allocation of capital funding for food waste containers and vehicles under New Burdens.
49. It is anticipated that large numbers of local authorities will implement new or extended food waste collection services between 2024 and 2026. There will be a very high demand for new vehicles, containers, and liners during this period. There is a high likelihood of procurement bottlenecks which could create supply delays and impact the implementation timescales of a new service. The council must act quickly to determine requirements and to proceed with procurements as early as possible. Assurance has been sought from Government that in the event mandatory deadlines are not met due to factors outside our control, there will be no adverse financial or legal implications.
50. The recycling rate target of 65% is ambitious and it is unclear what, if any, implications there will be on local authorities that fail to achieve this level of recycling. Introducing new weekly food waste collections to all households will make a significant contribution towards our target. A key consideration for the council will be whether to simultaneously restrict residual waste by reducing the frequency of collections, which drives higher recycling and waste reduction, and can also provide service cost savings. However, Government has stated that they expect a minimum service frequency for residual waste of at least fortnightly. It is hoped that council's will be afforded the freedom to choose the most suitable collection system which can meet our goals and provide best value services. This will be confirmed in forthcoming statutory guidance on waste collections.
51. There are many interdependencies with Lancashire County Council (LCC) as the waste disposal authority. Waste collection authorities in Lancashire are reliant on sufficient food waste recycling capacity being put in place by LCC, although they have indicated facilities at Farington Waste Park should be ready to accept the county's food waste in 2025, albeit the facility may need to be ramped up to full capacity in phases.

52. The introduction of food waste collections and potentially other service changes to every household carries a significant reputational risk. Service changes must be carefully designed and planned, comprehensively and clearly communicated to residents, and implemented and operated to a high standard to ensure resident satisfaction.

#### **Comments of the Statutory Finance Officer**

53. The Council has received allocations of capital funding to support this project totalling £1.183m. This will require a Council report to add to the capital programme and until that point no budget is yet approved.

54. While indications have been given by government that revenue resources will be made available for these new duties, as yet there has been no information provided as to how much this may be. Given the regulations come into force in 2026/27 there will likely be costs in 2025/26 in preparation for commencement of the service. The Council will continue to try and adhere to government requests to try and ensure sufficient revenue support is given.

#### **Comments of the Monitoring Officer**

55. The report sets out the legal framework being introduced. The legislation places a new obligation on the council in relation to the collection of food waste. The recommendations enable the council to manage this new obligation appropriately and invite members to consider the most appropriate options to do so. The procurement methodology is appropriate for this type of contract.

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This decision will come into force and may be implemented five working days after its publication date, subject to being called in in accordance with the Council's Constitution.