

SUBJECT	Overview of Resources and Waste Strategy
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1. Purpose of Report

To inform the Joint Waste Collection Committee of the recently published Resources and Waste Strategy, highlighting some of the key themes that the strategy has introduced with an initial consideration of the potential impacts on the Joint Waste Service

RECOMMENDATIONS:

1. **Inform Joint Waste Collection Committee on the recently published Resources and Waste Strategy.**
2. **Engage with Resources and Waste Strategy consultation process to ensure beneficial outcome to the Council.**
3. **Manage resources and services to achieve new recycling targets.**

2. Executive Summary

The Resources and Waste Strategy provides the Joint Waste Service with a suite of options and changes that will impact waste management in the UK across the next 3-7 years. One clear point of direction within the Strategy is that recycling rates will need to increase in line with European targets including achieving 65% recycling rate by 2035.

The Strategy proposes a number of other measures; a Deposit Return Scheme and Extended Producer Responsibility (changing the way waste services are funded) are key structural changes to waste management. These proposals, and others, will all be consulted on prior to implementation. Owing to the potential significant impact these changes could have on the Joint Waste Service it is important we fully engage with consultations to bring about positive outcomes. The Joint Waste Collections Committee (JWCC) will be kept fully briefed on The Strategy, and as consultations progress the JWCC will be updated.

3. Reasons for Recommendations

The Resources and Waste Strategy (The Strategy), published in December 2018, presents a broad direction of travel for waste services within English local authorities, and other stakeholders, covering the medium to long term. Material changes within the Strategy will, for the most part, be consulted on prior to implementation. In order for

beneficial outcomes to consultations the Joint Waste Service should independently, and through local authority representative organisations, provide a strong response to consultations.

The Joint Waste Service is a high performing partnership of authorities in terms of recycling rate achieved. The Strategy extends recycling rate targets which will challenge the Joint Waste Service to further improve its service offering to ensure these targets are achieved.

4. Content of Report

4.1. Background

- 4.1.1. England's previous Waste Strategy was released in May 2007 and was initially effective in driving up recycling rates and reducing reliance on landfill. Avoiding landfill was principally achieved through a high landfill tax escalator of £8.00pa, the escalator has since stabilised and now increases in real terms (RPI). Although some targets within the 2007 strategy run until 2020, it is generally accepted within the waste industry that a policy vacuum has existed since around 2012. Without clear direction from central government this makes Joint Waste Service planning problematic.
- 4.1.2. Since 2007 the world, and waste industry, is a markedly different place, we have had a financial crash, recession and referendum on UK membership of the EU. Specific pressures on waste services are a result of a recent Chinese ban on recyclables imports, local authority funding cuts, the rise of home delivery services like Amazon and a desire from manufactures to 'lightweight' products among myriad others.
- 4.1.3. Proposals within The Strategy are likely to impact one or more of three key areas: Financial, Legal and Political – the waste trilemma. This report will summarise key local authority impact areas within the new Strategy and advise on where within the Joint Waste Service the impact will hit; Financial, Legal or Political.

4.2. Recycling Rates

- 4.2.1. The Strategy commits to formally adopting recycling targets set out within the EU's Circular Economy package by 2019. The Joint Waste Service will be asked to achieve 65% recycling rate by 2035. Currently the Joint Waste Service achieves a recycling rate of 53% which is 10% above the national average.
- 4.2.2. A 65% recycling rate can be achieved through a variety of measures; decreasing refuse collection frequency or capacity offered to residents, and offering a free garden waste service are two proven methods of increasing a recycling rate. Improved enforcement and promotions are potential alternatives but have not proven to have an extended impact without continued attention.
- 4.2.3. Summary; a reduction in collection frequency has a negative Political impact, whereas reviewing of garden waste charges will have a financial pressure. There is a nil legal impact on both providing targets are achieved.

4.3. **Deposit Return Scheme (DRS).**

- 4.3.1. Consumers will pay a surcharge on certain products payable at point of purchase. The deposit can be recouped when the empty product is returned to a deposit point. These schemes are not without precedent, even in the UK until the 1980's consumers could receive 10p for certain items returned. Australia, Belgium, Canada and many other developed nations have well established deposit return schemes.
- 4.3.2. The Strategy will consult on a DRS in 2019 and introduce a scheme by 2023. It is unclear the extent of local authority involvement in this scheme, we will need to include ourselves in consultations as a DRS could remove significant amounts of high value recyclables from the Joint Waste Service. The UK is some time away from a proper DRS and has many obstacles, chief of which is infrastructure; a pilot scheme is being delivered by Iceland (Ltd) which covertly introduced 5 reverse vending machines for 6 months amassing 15 tonnes of plastic bottles. In the same timeframe the Joint Waste Service alone collected 1,464 tonnes of plastic bottles.
- 4.3.3. Summary: A DRS which takes high value recyclable materials from the Joint Waste Service's control will generate a financial pressure and make achieving statutory recycling targets more demanding. There will be a nil political impact.

4.4. **Extended Producer Responsibility (EPR)**

- 4.4.1. The structure of financial liability for waste costs in the UK currently rests with residents, rather than consumers or producers / manufacturers. Waste services are funded from Council tax, rather than directly requiring those that produce waste to pay their share. EPR will be consulted on in 2020 and will be introduced in 2023, it will charge producers (for instance Coca Cola, Procter and Gamble) for the amount of waste they will eventually produce further along the waste cycle.
- 4.4.2. Positively the Strategy does "*...ensure that local authorities are resourced to meet **new net costs** arising from the policies in this Strategy, including upfront transition costs and ongoing operational costs*". It is important to note that this view is likely to be challenged during consultation by commercial collection providers who could lose out.
- 4.4.3. Summary: clearly new money will be welcomed by the Joint Waste Service and will relieve pressure financially on the local authority, there is likely to have nil impact on legal and political areas.
- 4.4.4. A point worth noting is that producers will want to influence waste collection systems once they have financial responsibility for paying for the system.

4.5. **Collection Consistency**

- 4.5.1. Collection consistency has been spoken about within the waste service for a number of years as, it's posited by some in central government, that inconsistency causes confusion among residents. This argument has been largely debunked although the Strategy will introduce a consistent set of

recyclable materials in early 2019. The Joint Waste Service already collects a full suite of materials, including weekly food waste collections,

4.5.2. Summary: Nil change to financial, legal or political.

4.6. Chargeable Green Waste

4.6.1. The Strategy, in 2023, will consult on whether to prohibit councils from charging for green waste collections. Prevailing thought on this is that some chargeable green waste goes into general waste bins as residents seek to avoid charges. This practice is thought to increase disposal cost and greenhouse gas emissions from landfill. Free garden waste collections have been proved to increase green tonnage and improve recycling rates.

4.6.2. Summary: Should the Joint Waste Service be prohibited from charging for green waste there will be a significant income reduction generating a financial pressure. The Joint Waste Service will see recycling targets and legal compliance more achievable, similarly there will be a political improvement as residents will view free green waste as service improvement.

4.7. Two final points

4.7.1. Recycling rates as measured in weight terms. The Strategy will consult on a move away from this method and potentially towards a carbon based calculation. This will change importance of collections. Heavy traditional recyclables yield little environmental benefit; glass has lowest carbon benefit of 1.4kg CO₂eq avoided per kg of recycled glass, conversely Aluminium cans will become the most sort-after having a CO₂eq 25 times greater than glass.

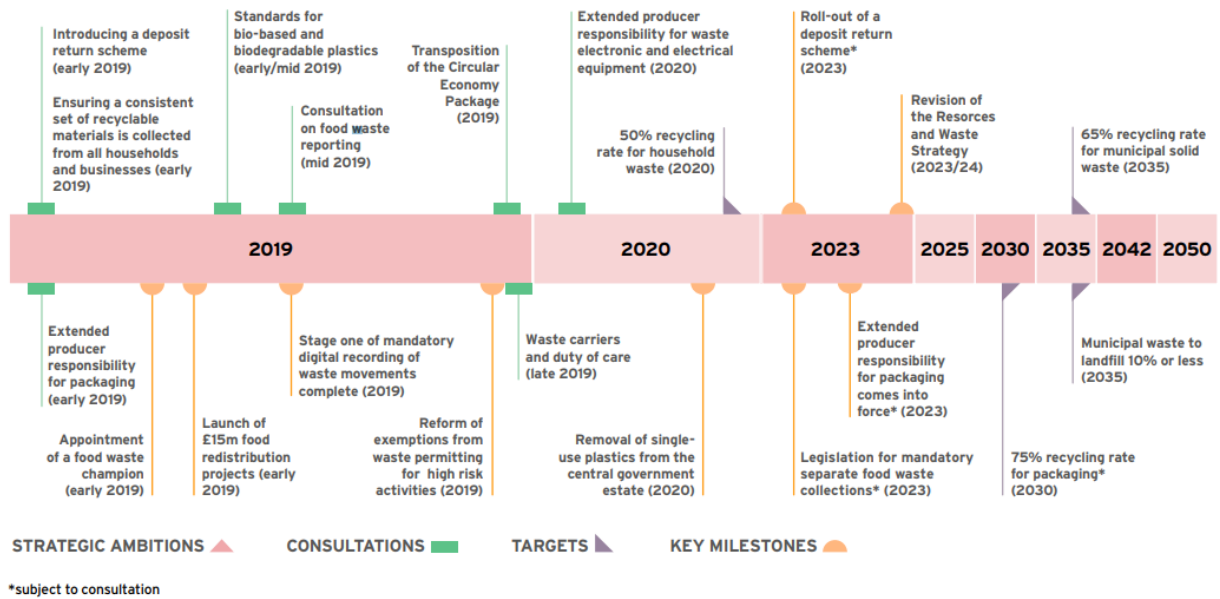
4.7.2. In commentary around the Strategy Michael Gove (Resources and Waste Strategy, Environment Secretary) said Local Authorities will be given “hundreds of millions of pounds” in order to boost recycling rates, comments made at Environmental Audit Committee, December 2018.

4.8. Summary

4.9. The Strategy provides a direction of travel, rather than clear set of targets or policy levers. It is therefore important that each consultation process is engaged with by the Joint Waste Team. The Joint Waste Service is in an enviable position having already exceeded its 2020 recycling target and will be seen as an important contributor to consultation processes.

4.10. A timeline of consultations, targets and milestones embedded with The Strategy is shown below.

Overview of Resources and Waste Strategy



5. Consultation

Not Applicable

6. Options (if any)

There are no recommended alternative options. Failure to engage with consultations could result in a sub-optimal outcome for the Joint Waste Service. Similarly if recycling targets are not achieved there will be a loss of reputation and potential legal and financial action from central government.

7. Corporate Implications

7.1 Corporate implications, particularly around legal, financial and political aims have been address throughout the report.

8. Links to Council Policy Objectives

Outcomes following this report will impact the following headline objectives:

1. Delivering cost-effective, customer focused services, and
3. Striving to conserve the environment and promote sustainability.

9. Next Steps

The Joint Waste Team with engage with consultations as they are announced.

Background Papers:	No background papers referenced.
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