

**REPORT TO:** East Lothian Council

**MEETING DATE:** 24 June 2014

**BY:** Depute Chief Executive (Partnerships and Community Services)

**SUBJECT:** Waste Strategy

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## **1 PURPOSE**

- 1.1 To provide Council with a proposal for the provision of waste services in recognition of the additional statutory obligations that must be met.

## **2 RECOMMENDATIONS**

- 2.1 That Council approves the changes to the provision of Waste Services outlined in this report.

## **3 BACKGROUND**

- 3.1 East Lothian Council has a statutory obligation to provide services for the collection and management of waste and recycling. Changes to how the Council collects and manages this waste are needed in order to comply with the Waste (Scotland) Regulations 2012.
- 3.2 The Waste Services business unit is responsible for the daily delivery of these services and ensuring the Council meets national targets and policy objectives. A reduction in budget coupled with a projected growth in population and a demand for new and extended services, presents the unit with a considerable challenge to provide all the services required as cost effectively as possible while still progressing towards meeting national targets.
- 3.3 The impact of failing to comply with the legislation is not clear but could be significant. Failure to meet targets could potentially lead to financial penalties, although the exact levels have yet to be published.

- 3.4 Although positive discussions have taken place with the Scottish Government via Zero Waste Scotland they have indicated that grant support to local authorities to help contribute towards the delivery of food waste collection services and strategy development has been exhausted. They have stated, however, that should Council approve the strategy we should contact them to discuss financial support related to project management, advertising and public engagement. For the purpose of this report the costs for these have been allocated into Council revenue expenditure.
- 3.5 Considerable modelling work has been undertaken to determine the feasibility of proposed changes and the strategy below is presented as a balance between retaining a high service level for our customers, whilst taking into consideration, the environmental, financial, legal and service parameters that exist.
- 3.6 Providing the following services from a proposed implementation on 1 April 2015 will enable the Council to work towards national targets whilst fulfilling our statutory obligations.
- Move to a fortnightly refuse collection
  - Introduce a weekly food waste collection to all households
  - Retain the fortnightly garden waste collection and expand it to cover all households
  - Retain a fortnightly multi-material recycling collection box collection service (to be reviewed in 2017 at the contract maturation point).
  - Introduce a dedicated trade waste service
  - Alter the Bulky Uplift Service categories to exclude black bags and mixed domestic waste as this is accommodated in the kerbside collection strategy.
- 3.7 Whilst every effort has been made to model accurately and all figures have been independently audited by Finance with an overview from Zero Waste Scotland and WRAP, the predicted revenue costs, levels of landfill diversion and increased recycling are dependent upon uptake, presentation and quality of material which are to a large extent out with our control.

## **4 POLICY IMPLICATIONS**

- 4.1 None

## **5 EQUALITIES IMPACT ASSESSMENT**

- 5.1 This report is not applicable to the well being of equalities groups and an Equalities Impact Assessment is not required.

## **6 RESOURCE IMPLICATIONS**

- 6.1 Financial – This scenario will require an additional £118,000 per annum in revenue. It will also require a one off capital cost of £304,000 from 14/15 capital resources with consideration of any potential carry forward from 13/14 (see Appendix 1).
- 6.2 Personnel - Skills, knowledge and experience are available in-house to implement the new waste collection strategy and we will seek to utilise support available from Zero Waste Scotland in the form of project management and communications staff to assist in the implementation process.
- 6.3 Other – None

## **7 BACKGROUND PAPERS**

- 7.1 None

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<b>DATE</b>	29 <sup>th</sup> May, 2014

## WASTE STRATEGY OPTION COST ANALYSIS - 2015/16

Service	Proposed		Notes	System	Revenue	Capital	Comments	Risk
	System	Frequency			Cost/Saving	Cost/Saving		
Refuse Collection	Bins	Fortnightly		Bins			£0 11 frontline routes to 7. Spare utilised for trade and garden	County Expansion
<b>Disposal</b>		Annual					<i>Landfill Savings</i>	
		Loss from Residual	Down by 1000t per annum		£117K		£0 £117 landfill tax + gate fee & haulage.	Speculative
		Through restricted collections						
	Boxes	Loss through Kerbside	500t additional capture		£59K		Anticipating 8 % increase in participation.	
	Food		2925t capture (45,000)		£342K		Based upon 1.25kg per household per week	
	Garden		1524t capture		£178K		Roll out to all properties	
<b>Garden Waste</b>	Bins	Fortnightly (all properties)	Capture up by 1524t per annum	Bins	£40K	£80K	1 additional route added 4000 properties from refuse - essential	County Expansion Demand increase
		£26.00 per tonne contract charge						
<b>Kerbside Recycling</b>	Boxes	Fortnightly (No change)	Capture up by 500t per annum	Boxes	£43K	£73K	12,000 extra box sets required @ £6.07 inc covers Unlikely to exceed due to fortnightly boxes	
		£85.00 per tonne contract charge						
<b>Food Waste</b>		Weekly all households	Capture of 2925t	Caddies	£777K	£250K +£50K	45000 Purchase and delivery costs	
		£72 p tonne disposal & haulage		Liners		£1K	4 months supply to each household delivered with the caddies.	
<b>Trade</b>	Bins	Separate collections		Bins		£0	£0 2 vehicles from spare refuse	Loss of customers to
		Two pass, 1 for waste, 1 for recycling					Potential income from recycle?	private enterprise
		Trade Food utilise Growing Forth options				£0	£0 stating intent to commence once funding is provided.	

Solution	Revenue Cost	CAPEX	Savings	Expenditure
Fortnightly Refuse + Fortnightly Garden + Fortnightly Boxes + Weekly Food (All)	£164K	£454K	£117K +£59K + £342K+£178 = £696K	£40K+£777K +£43K= £860K
Carry Forward		£150K		
Additional Budget Provided for 15/16 by the Administration March 14 to cover ZW Strategy Requirements	£150K			
<b>Additional Revenue Requirement (One Off)</b>				
Project Management Costs	Potential Partner	Revenue Cost		
Advertising & Public Engagement	ZWS	£35K		
	ZWS	£69K		
			£1.50 per property	
<b>Additional Budget Requirement for 2015/16</b>	<b>£118K</b>	<b>£304K</b>		