

Member Briefing Recycling and Waste Collection Review

April 2017 Update
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What will we be covering.....

- Current performance and background information
- Budget position (Waste Operations)
- Garden Collection Service option details
- Food Waste Collection Service option details
- Question and answer session

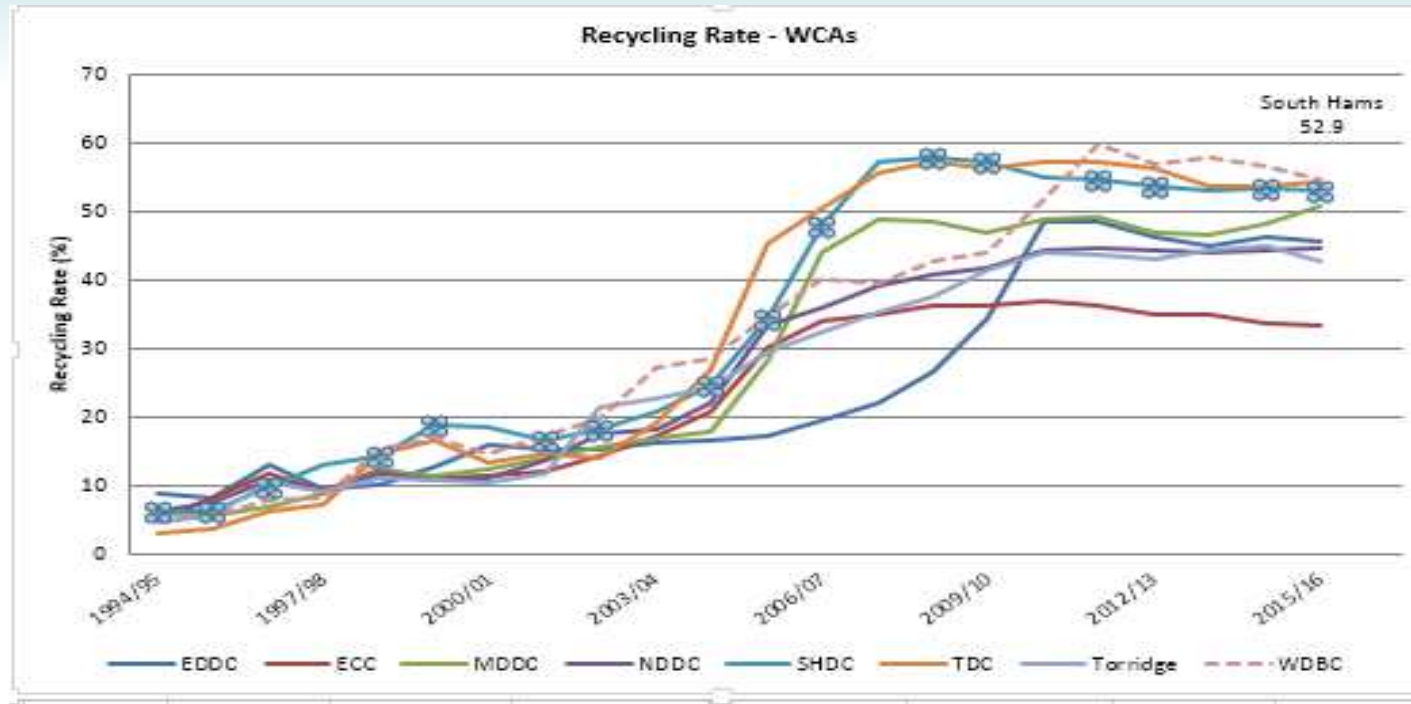
Recycling Performance

Devon Recycling Rates 2015/16

	Recycling Rate	Change (%)
East Devon	45.6%	-0.7%
Exeter	33.3%	-0.5%
Mid Devon	50.8%	2.6%
North Devon	44.9%	0.7%
South Hams	53.0%	-0.1%
Teignbridge	54.3%	0.6%
Torridge	42.4%	-2.6%
West Devon	54.5%	-2.0%



Recycling Performance



- Nationally, South Hams are the 32nd best in terms of recycling rates across collection authorities and 3rd in Devon
- Top recyclers are South Oxon with a rate of 67%

Devon Resource & Waste Management Strategy

Waste and Resource Management Strategy for Devon Review



March 2013

Don't let Devon go to waste

- County-wide including 7 districts and DCC
- Covers 35 year period
- Series of targets including an agreed model – ‘Aligned collection service’
- Treats waste as a resource
- Takes account of whole service costs
- Weekly collection of food waste
- Separate collection of garden waste
- Recommends charging for garden waste
- Fortnightly residual waste

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Devon Aligned Service



Food Waste
East Devon (w)
Mid Devon (w)
North Devon (m/w)
South Hams (m/f)
Teignbridge (w)
Torrige (m/f)
West Devon (w)

Garden Waste
East Devon (£/f)
Exeter (£/f)
Mid Devon (£/f)
North Devon (m/f)
South Hams (m/f)
Teignbridge (£/f)
Torrige (m/f)
West Devon (f)

Dry Recycling
East Devon (w)
Exeter (f)
Mid Devon (f)
North Devon (w)
South Hams (f)
Teignbridge (w)
Torrige (w)
West Devon (w)

Residue
East Devon (f)
Exeter (f)
Mid Devon (f)
North Devon (f)
South Hams (f)
Teignbridge (f)
Torrige (w)
West Devon (f)

YELLOW = aligned option

£ = charged service

m = mixed collection

w = weekly

f = fortnightly



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Recycling and Waste Services Background

- The task and finish group have been considering the best ways to control waste collection costs and improve recycling
 - Round efficiency
 - Best working practices
 - Optimum service configuration
- Most significant change proposed is to separate garden waste from food waste that is currently collected co-mingled in brown wheeled bins across the District free-of-charge.
- The proposal accepts the ‘aligned waste collection policy’ for collecting food waste from households in separate caddies on a weekly basis and the introduction of a charge for garden waste

Current Budget Pressures

- The Council now faces a budget gap in 2018/19 of £560k
- There is an uplift in waste service costs of £182k (net) in 2017/18
- This is due to a variety of factors, recycling market downturn, National Living Wage increase, short term contract pressures (new homes costs and vehicle repairs and maintenance costs), aging local workforce, legislative changes, vehicle costs rising
- Recycling sale market rates

Update on Local Position

- South Hams recycling rate is anticipated to improve slightly in 2016/17 to circa 53.6% at Q3 (compared to 2015/16 of 52.9%)
- Garden waste is well used by residents with a number of properties having access to more than one wheeled bin
- Garden waste co-mingled with food waste tonnage during 2015/16 increased to almost 10,000 tonnes (up by 600 tonnes)
- Evidence suggests the co-mingled garden and food waste service recovers very little food waste
- Food waste is the largest element of waste going to disposal that can be readily recycled
- There is an expectation that further savings or income generation will be forthcoming in 2017/18 as a result of the Waste Review

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Garden Waste Collections

Authority	Garden Waste Scheme
Plymouth	<i>Free (urban!)</i>
Torridge	<i>Free (but is comingled with food waste)</i>
Teignbridge	£35 per year
North Devon	£36 per year
Exeter	£44-£34 per year, or 10x sacks at £20
Mid Devon	£48-£36 per year, or 10x sacks at £13
East Devon	Not offered (community scheme charge £5.50 per bag)
West Devon	Proposed to introduce a chargeable service £40 per year
Torbay	£6 per collection of up to 8 bags (new - January 2017)



- 45% of English LAs apply an annual charge or are considering one in the near future
- 7 of the 9 of other Devon authorities apply charges, ranging from £34 (140 litre bin) to £48 per year (240 litre bin).
- Some London authorities charge closer to £100.

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Garden Waste Changes

- Task & Finish Group recommended changes
- Modelled on an annual service fee of £40 for a fortnightly collection service of a 180 litre wheeled bin with options for sack collections
- Expected to achieve 35% participation rates
- Competitive price compared with other councils
- Link between price and participation rate

£1.60
per fortnightly
collection



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Garden Waste Collections Risks

- Loss in public satisfaction – short term if charged but greater if service is cut
- Potential effect on recycling rate – much greater if service is cut
- Potential increase in fly tipping and bonfires much greater if service is cut
- Potential impact on Devon County Council due to the contract in place to dispose of garden waste across the Devon districts.
- A significant decrease in tonnage could trigger an increase in gate fees which would be applied across the Devon-wide contract

Garden Waste Collections Opportunities

- Chargeable service is in line with the Devon Aligned Waste Collection Model
- Comms campaign will emphasise and encourage home composting as a preference
- Considers whole system costs and reduces environmental impact in promoting waste hierarchy
- Income from charges could offset waste budget cost pressures by circa £250k with anticipated participation rates
- Evidence across other English Authorities demonstrates high recycling rates can be achieved with chargeable garden waste services

Effect on Recycling Rate

- Most of England's highest performing LAs charge
- Some show an initial fall in rate which tends to be regained later

Rank	Council	Recycling rate (%)	Cost of garden waste per year (£)
1	South Oxfordshire	66.6	37
2	Rochford, Essex	66.0	Co-mingled so Free
3	Vale of White Horse, Oxfordshire	64.8	37
4	Surrey Heath	62.1	58
5	West Oxfordshire	60.8	30*
6	Stratford-on-Avon, Warwickshire	60.4	Co-mingled so Free
7	Trafford, Manchester	60.4	Co-mingled so Free
8	Three Rivers, Hertfordshire	59.4	35*
9	Stockport, Manchester	59.4	Co-mingled so Free
10	Mole Valley, Surrey	59.0	54.5

* These authorities have moved from a FOC service

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Garden Waste Net Income

Cost of subscription garden waste service modelled on 35% participation rate

ITEM	Revenue Cost (+) or Saving (-) 2018/19 ongoing (£)	One-Off Revenue Costs 2017/18 (£) Budget Pressure
Reduced collection costs	-242,500	
Income from subscriptions	-531,500	
Comms		10,000
Labelling of bins	5,000	5,000
Contact Centre costs		20,000
Billing costs	30,000	
Collection of unwanted bins		8,000
Project management costs		21,000
TOTAL	-739,000	64,000

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Food Waste Collections

- The proposal is to align our service and collect food waste separately
- Food waste collected weekly is common across the UK and in particular the whole of Devon
- It does not cause odour or pest problems if managed well
- Kitchen caddies with liners for householder to use in the kitchen
- Kerbside caddies used to present for collection
- Most high performing rural authorities collect food waste district wide weekly



Food Waste Net Costs

ITEM	Revenue Cost 2018/19 ongoing (£)	One-Off Revenue Cost 2017/18 (£) Budget Pressure	Capital Costs 2017/18 (£)
Additional vehicles x 7			420,000
Maintenance & running costs of 7 vehicles	127,000		
Labour (driver plus one loader) x 7	243,000		
Purchase & delivery of containers	63,000	24,000	148,000
Project management costs		21,000	
Comms		10,000	
Annual contributions for replacement capital items (Borrowing Costs)	85,000		
TOTAL	518,000	45,000	568,000

Your Recycling & Waste Services

Existing collection scheme

Recycling sacks & brown bin collection week

Paper and Card

Plastic bottles and tins / cans

Food and Garden Waste

Grey bin collection week

Grey bin

Recycling and composting is collected week one.
Non-recyclable waste is collected on week two.

Proposed collection scheme

Dry recycling, food and garden waste collection week

Paper and Card

Plastic bottles and tins / cans

Food Waste

Garden Waste

Food and grey bin collection week

Grey bin

Food Waste

Dry recycling, food and garden waste is collected week one.
Food and waste which cannot be recycled is collected week two.

recycle for the South Hams

www.southhams.gov.uk

Potential Financial Impact 2017/18

Financial Impact of Waste Review Projects

ITEM	2017/18 Net Annual saving (-) or cost (+) (£)
Subscription garden waste service	64,000
Food waste service (incl. replacement of capital items)	45,000
Round optimisation	-20,000
Charging for new or replacement containers	-10,000
Independent validation of financial impact	15,000
TOTAL - 2017/18	94,000 (Budget pressure)

Potential Financial Impact 2018/19 Ongoing

Financial Impact of Waste Review Projects

ITEM	2018/19 Net Annual saving (-) or cost (+) (£)
New Garden Waste Net Income	-739,000
New Food Waste Service Net Costs (incl. replacement of capital items)	518,000
Round optimisation	-20,000
Charging for new or replacement containers	-10,000
TOTAL – 2018/19 Ongoing	-251,000 (increased income)

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Summary

- As part of a Waste Review the Task & Finish Group are considering a charge for the garden waste service in South Hams in Spring 2018
- This is in line with many high performing authorities and is common in Devon and Cornwall
- To meet the Council's obligation under the Devon Resource & Waste Management Strategy food waste will also be collected separately on a weekly basis
- Considerable savings can be made that collectively could contribute in excess of £250k towards future Council budget deficits
- Initially the proposals would require a budget pressure of circa £74k in 2017/18
- Final details if agreed by the Council will be agreed by Task & Finish Group

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Financial Risks of No Change

- If the Council chose NOT to change the way it collects garden and food waste, then the County Council would continue to face additional treatment/haulage costs of between £750k and £1m
- The difference between the cost of treatment and haulage of mixed garden waste and food waste compared to a separated collection is significant
- Shared disposal savings would not be realised. These could be as high as £150k per annum
- Financial subsidy of up to £260,000 for the running of Torr Quarry is at risk

Questions



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