

4 April 2019**Agenda Item: 5**

REPORT OF THE SERVICE DIRECTOR, PLACE AND COMMUNITIES

NEW RESOURCES AND WASTE STRATEGY FOR ENGLAND

Purpose of the Report

1. To allow Members to consider and comment on the key proposals contained in the new Resources and Waste Strategy for England.
2. To delegate authority to the Service Director, Place and Communities, following consultation and agreement with the Chair and/or Vice Chairs of Communities and Place Committee, to submit responses on behalf of the County Council to individual consultations published by central Government on the proposals included in the new Resources and Waste Strategy for England.

Information

Background

3. All local authorities in England are currently working towards non-statutory targets of recycling 50% of Household Waste by 2020 and 65% of municipal solid waste by 2035.
4. However, Government acknowledges that progress has stalled nationally for both domestic and business recycling, and in England the overall recycling rate is around 45% and is therefore extremely unlikely to achieve 50% by 2020.
5. Nottinghamshire recycled 43.7% of its Household Waste in 2017/18 and is also unlikely to meet the 50% target, or the stretch target of 52% proposed to DEFRA in the final business case for the Waste PFI Contract with Veolia.
6. In order to address the current lack of progress on recycling performance within England the Government published its Resources and Waste Strategy for England in December 2018.
7. The Strategy is a wide-ranging document which also aims to promote greater resource efficiency and tackle current waste issues including packaging, single-use plastic, food and waste crime. It is closely linked to the Government's 25 Year Environment Plan.
8. The proposals will significantly affect local government services including statutory waste collection and disposal functions. This will place an additional financial burden on local authorities, but Government has confirmed that additional resource will be provided to help meet the net costs of implementing these proposals.

9. Government will consult separately on individual proposals contained within the plan and published the first 4 consultations on 18 February 2019 with a deadline to respond by 12 and 13 May 2019. The County Council will respond to these consultations in detail as per the proposed arrangements subject to those being agreed by this Committee. The key issues for Nottinghamshire are outlined below.

Consultation on consistency in household and business recycling collections in England

10. This is an extremely detailed consultation and covers a range of proposals, in which the key ones for the County Council are outlined below.
11. Government is keen to ensure consistent recycling collection systems nation-wide and will consult on a standard set of core recyclable materials to be collected from households. The aim of this is to address current resident confusion across different local authority areas.
12. If the set of core materials was different to those currently collected in Nottinghamshire the change could impact on the County Council's long-term PFI waste management contract with Veolia, leading to possible changes to existing infrastructure as well as the existing district/borough council collection arrangements.
13. Therefore, the officer view is that the set of core materials should mirror the current materials collected in Nottinghamshire, unless funding is available to support any necessary contractual changes, and offset any additional revenue costs of managing a wider range of materials where the cost of collection and treatment is greater than their product value.
14. The consultation also considers the introduction of mandatory separate weekly food waste collection by 2023 and a ban on all food waste to landfill by 2030. The County Council currently sends nearly all of its residual waste, which includes food waste, to energy recovery rather than landfill, and is therefore in effect already meeting the 2030 landfill ban target.
15. Introducing a separate food waste kerbside collection will require new waste collection and treatment infrastructure and a formal variation of the PFI through the 'change in law' mechanism, however the major cost will fall upon the Borough and District Councils who would need to provide weekly kerbside collection arrangements.
16. Free green waste collection for households with gardens is also considered. All Nottinghamshire District and Borough councils currently charge for this service. Free collection would significantly increase the amount of garden waste collected and would help Nottinghamshire to meet the 50% recycling target, and County Council officers would welcome this. However significant additional operational costs would once again fall on the collection authorities, alongside the loss of revenue currently received through charging for the service.
17. It is also proposed to base future performance indicators for local authority recycling on carbon and natural capital accounting rather than weight. This is likely to focus future recycling efforts on obtaining the best resource value rather than collecting the heaviest

materials. Furthermore, there is a proposal of non-binding performance indicators for local authorities, which would include recycling rates.

18. Other areas this consultation covers include continued support for Recycle Now and Waste Resources Action Plan (WRAP), statutory guidance on service standards, greater improvements in partnership working and standardised bin colours.

Consultation on introducing a Deposit Return Scheme in England, Wales and Northern Ireland

19. As widely expected, the strategy proposes a nation-wide Deposit Return Scheme (DRS) for single-use drinks containers (plastic bottles, drinks cans and glass bottles). The aim of the scheme is to increase recycling rates and reduce littering.
20. An introduction of such a scheme is likely to increase the overall capture rate of these materials but could significantly alter the quantity and mix of materials collected at kerbside which will in turn require changes to the PFI contract with Veolia.
21. The officer view is that introducing a DRS for certain materials will have a positive effect on capture rates for plastic bottles (which is currently only around 50% nationally) but should be focussed on recycling “on the go” rather than an “all in” approach through households. This will largely leave existing contractual provisions untouched, but will drive performance and behavioural change across the country.

Consultation on Reforming the UK packaging producer responsibility system

22. The proposals within this consultation focus on looking to reform the packaging producer responsibility system. The aim is to change how costs are managed to be consistent with ‘polluter pays principle’, with businesses expected to take greater responsibility for both packaging and end-of-life goods.
23. Proposals include incentives to encourage the use of packaging containing a high level of recycled content, packaging that is recyclable, making recycling labels mandatory on products, new packaging waste recycling targets (at least 75% of all packaging waste to be recycled by 2030) and improving monitoring and enforcement of the regulations.
24. The strategy proposes that these changes would generate central funding which would be used to support the additional burdens which will fall on the public sector from the proposals contained within the strategy. Officers would welcome additional income towards waste collection and treatment costs from the packaging producers.

Consultation on Plastic Packaging Tax

25. HM Treasury has also published a consultation on plastic packaging tax. This proposes that a tax is placed on plastic packaging with less than 30% recycled content. This is intended to

stimulate the UK market for recycled plastic and should make it viable to collect and recycle a wider range of plastics in future.

Other key proposals contained within the new strategy

26. Other issues contained in the Strategy which have will have an effect on the County Council are briefly outlined below.
27. It is proposed to review existing waste regulations which would allow members of the public to purchase or take away items from household waste Recycling Centres. The current contracts between Veolia and the individual site licensees would need to be amended to reflect these changes, and would most have an effect on the PFI Contract the County Council has with Veolia. Furthermore, investment in additional facilities and/or staff at the recycling centres may also be required.
28. The strategy also sets a new long-term target to landfill of no more than 10% of municipal waste by 2035. Nottinghamshire already meets this target, sending only 6% to landfill in 2017/18.
29. To reflect the changes to future recycling collections, it is expected that there will be amendments to the current recycling credit system used by two-tier authorities which may increase the payments made by the County Council to the Waste Collection Authorities. However, should there be further financial encouragement for district and boroughs to undertake additional kerbside collections a significant increase in the recycling rate at district and county level is likely.
30. Furthermore, new Extended Producer Responsibility schemes (where manufacturers take back end-of-life products) are proposed for materials such as bulky waste (mattresses, furniture, carpets), textiles, and vehicle tyres. This may reduce the level of materials delivered to the Recycling Centres, the demands on bulky waste collection services, and reduce fly-tipping of these wastes.
31. To promote waste reduction, Government will continue to support the WRAP which works with businesses and organisations to cut waste. There will also be additional funding for research and innovation projects including a £15 million pilot fund to reduce food waste and £40 million to tackle plastic waste. This could bring economic development opportunities for Nottinghamshire businesses helping to deliver the clean growth aspirations set out within the Midlands Engine vision for Growth, D2N2 Strategic Economic Plan, and the County Council's Strategic Plan.
32. The strategy also aims to tackle waste crime such as fly-tipping and illegal waste exports which are both financially and environmentally damaging. Existing regulations will be streamlined and strengthened to increase transparency over waste movements, reduce the risk of waste sites being abandoned and ensure tougher penalties where appropriate. This will need to be supported by closer working between the Environment Agency, police, local authorities, HMRC and the waste industry.

Waste Incineration

33. The new strategy is generally silent on waste incineration (known also as Energy from Waste (EfW) and Energy Recovery Facilities (ERF)) as it concentrates on driving up recycling and composting performance, however it recognises that 'Should wider policies not deliver the Government's waste ambitions in the long-term, we will consider the introduction of a tax on the incineration of waste. It also recognises however that 'Incineration currently plays a significant role in waste management in the UK, and the Government expects this to continue'.
34. The Council is currently committed to waste incineration, and as noted above is already meeting the 2035 overall municipal waste to landfill diversion target, and virtually achieving the 2030 food to landfill target proposed in the strategy using a range of ERF and EfW arrangements.
35. Given the potential time taken to develop new incineration capacity (5 plus years is generally the minimum), the County Council is already considering how best to deal with its long-term waste treatment and disposal needs post the current Eastcroft EfW contract which ends in 2030, and the Veolia PFI (which provides ERF treatment) that ends in 2033.

Next Steps

36. The new strategy sets out a positive approach and should drive improvements in the quantity and quality of materials collected for recycling. Although it is clear that funding will be necessary for the implementation of any new scheme / amendment to existing practices.
37. The County Council will respond to appropriate individual consultations, as will the Waste Collection Authorities in the County. Where appropriate, and timescales allow, a joint response through the Joint Waste Management Committee may also be submitted on behalf of all the waste authorities in Nottinghamshire.
38. The County Council will use the contents of the new Resources and Waste Strategy and results of the consultations to inform a new and updated Municipal Waste Strategy for Nottinghamshire.
39. The County Council will continue to explore opportunities for Energy from Waste developments within the County.

Other Options Considered

40. The County Council could choose not to respond to the consultations, however would miss the opportunity to shape the outcome of the proposals contained within the Resources and Waste Strategy.

Reason/s for Recommendation/s

41. The County Council has an opportunity to ensure that Government is informed of the implications of the Strategy to Nottinghamshire and to help shape the proposals.
42. The timescale for responding to the consultations is 12 weeks with responses due by 12 and 13 May, therefore it would not be practical for Committee approval to be obtained prior to responding to each consultation as the questions asked are both lengthy and complex.

Statutory and Policy Implications

43. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

44. There are no direct financial implications contained within the report.
45. It is however recognised that the proposals outlined in the Resources and Waste Strategy will likely have significant financial implications on the County Council in due course.
46. Government has been clear that it recognises financial pressures on local authorities and therefore additional resource to meet new net costs arising from the policies set out in the Strategy, once implemented, will be made available.

RECOMMENDATION/S

That Committee:

- 1) Consider and comment on the key proposals contained in the new Resources and Waste Strategy for England.
- 2) Delegate authority to the Service Director, Place and Communities, following consultation and agreement with the Chair and/or Vice Chairs of Communities and Place Committee, to submit responses on behalf of the County Council to individual consultations published by central Government on the proposals included in the new Resources and Waste Strategy for England.

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For any enquiries about this report please contact: Mick Allen, Group Manager, Place Commissioning, Tel: 0115 977 4684

Constitutional Comments [RHC 13/3/2019]

47. Communities and Place Committee is the appropriate body to consider the contents of this report by virtue of its terms of reference.

Financial Comments [RWK 04/03/2019]

48. The financial implications are set out in paragraph 44 of the report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- Our Waste, Our Resources: A Strategy for England, December 2018

Electoral Division(s) and Member(s) Affected

- All