

MAYOR & CABINET		
Report Title	Update on Proposed Changes to Waste & Recycling Service	
Key Decision	Yes	Item No.
Ward	All	
Contributors	Executive Director Customer Services	
Class	Open	Date: 8 February 2017

1. Summary

- 1.1. This paper updates on the progress taken to plan and implement the new waste & recycling services following Mayor & Cabinet approval to introduce new services in February 2016. There has been some movement in the original projections and this report outlines these.

2. Purpose

- 2.1. The purpose of this report is to update the Mayor on the progress of the new waste and recycling services and to propose a timetable for implementation.

3. Recommendations

The Mayor is recommended to:

- 3.1 Note the contents of this report including the progress to date.
- 3.2 Note the operational implications for the new service.
- 3.3 Approve the proposed timetable for implementing the new services.
- 3.4 Approve service policies.

4. Policy Context

- 4.1. The Government has stretching recycling targets to recycle and compost 50% by 2020. Further, there is an increasing requirement to improve the quality as well as the quantity of recycling, and this is partly being facilitated through the Waste Regulations 2012. From 1st January 2015, this piece of legislation required local authorities to separately collect paper, glass, plastics and metal unless it is not necessary to do so, or it is technically, environmentally or economically impractical to do so. This was discussed in detail in the February 2016 Mayor & Cabinet report.
- 4.2. The proposed new services contribute towards delivering the council's corporate and sustainable community priorities, especially in respect of 'clean, green and liveable' and 'inspiring efficiency, effectiveness and equity'.

5. Background

- 5.1. Previous reports have detailed the drivers for a potential change in Lewisham's waste & recycling services, but an outline of what these are, are detailed below.
- Improved environmental performance – Lewisham's recycling rate is one of the lowest in the country and by changing the services that are offered could have a significant impact on reducing waste in the first instance, increasing the amount that is recycled

or composted and reducing the carbon footprint of waste and recycling collected and disposed of.

- Financial – the waste & recycling services have had an efficiency review undertaken against the backdrop of identifying savings moving forward given the current climate of austerity. Further, the Council could face fines from Central Government if contribution to the 50% target is not improved upon.
- Legislative – the key legislative drivers are ensuring compliance with the Waste Regulations, which include applying the Waste Hierarchy (Regulation 12) and separately collecting paper, glass, metals and plastics (Regulation 13). There is a further requirement that the authority contributes to the London and national recycling targets.
- Future waste planning – The SELCHP Energy from Waste (EfW) contract ends in early 2024. The contract prices for EfW tend to be much higher than other forms of waste treatment and with a growing population potentially producing more waste and recycling, it is necessary to explore all options for managing waste and recycling effectively and efficiently.

5.2. Resulting from the above drivers the Council modelled a number of potential service scenarios and the option approved at Mayor & Cabinet in February 2016 were:

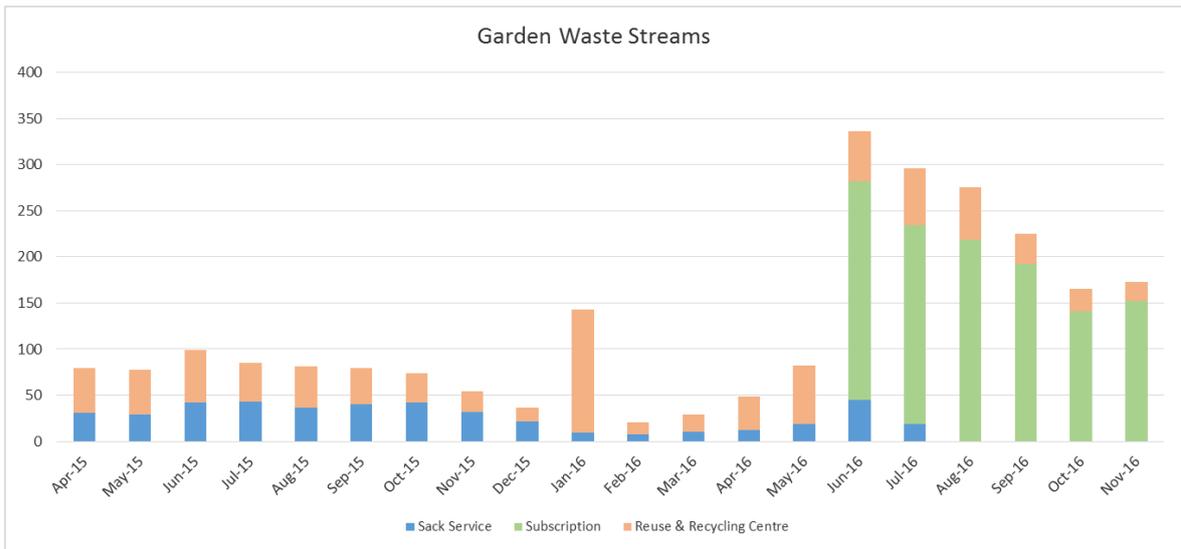
- Introduction of a subscription garden waste service;
- Introduction of a weekly food waste service;
- Reduction in the collection frequency of residual waste to fortnightly, and;
- Keeping the recycling collections comingled and weekly.

5.3. The below section provides information on progress to date with regards to the garden waste service and the estates lumber service.

6. Garden Waste Service

6.1. The garden waste subscription service was launched in February 2016. The service was offered at a ten month price of £45 from June 2016 until March 2017. Following an intensive communications campaign, subscribers at the start of the service going live in June reached 5,657. The majority of subscribers, at that time, came from a letter delivered with Lewisham Life. The number of subscribers at the end of November 2016 has reached over 8,200. Subscribers will be contacted in the new year to renew their subscription and further communication will take place to enlist new subscribers.

6.2. The graph below shows the tonnage that has been collected through the sack service, the Reuse and Recycling Centre and, from June, the new subscription service. At the end of November the new service had collected over 1,200 tonnes.

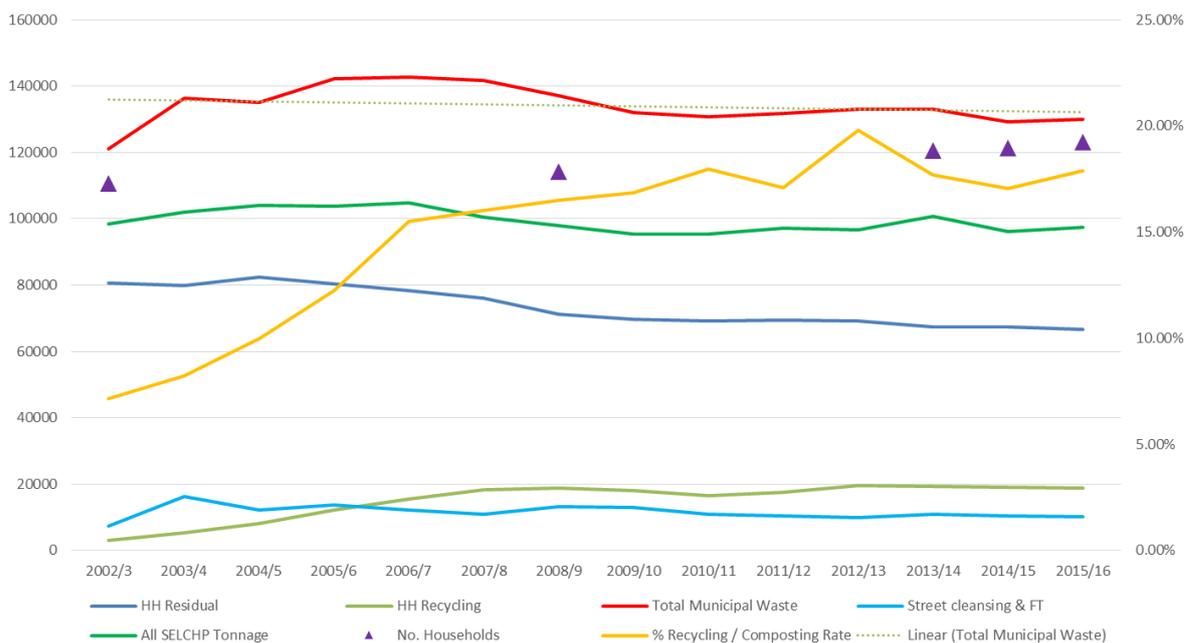


7. Estates Lumber Service

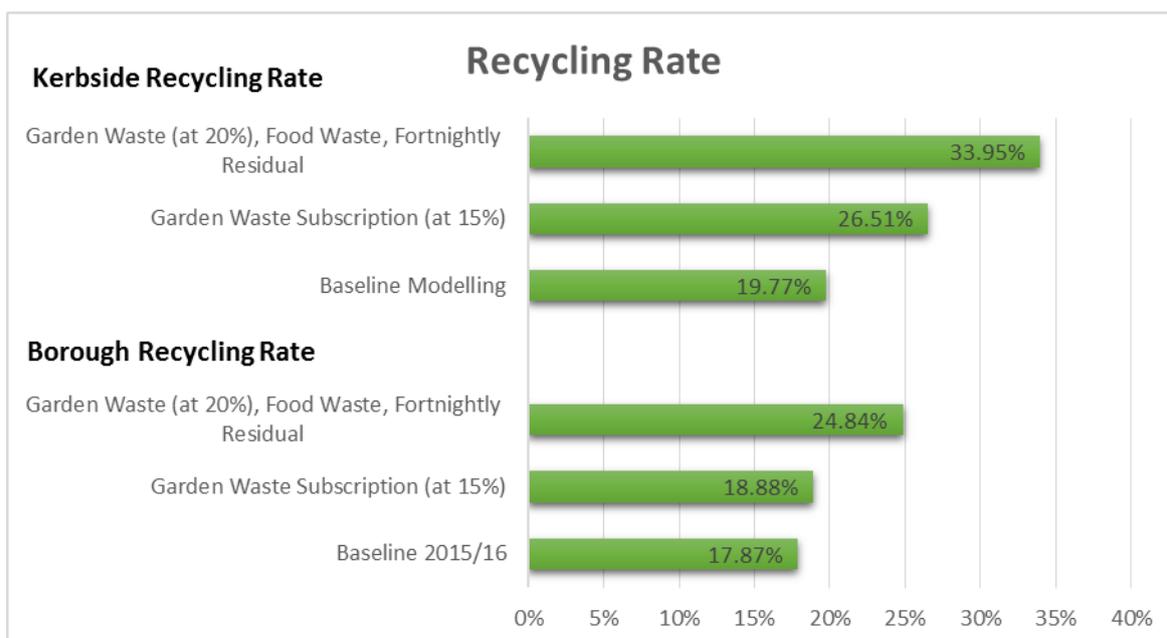
- 7.1. The estates lumber service was transferred to Lewisham Homes in April. The corresponding budget allocation for this service has reduced, contributing to the directorate’s saving target.
- 7.2. The below section provides information on the performance monitoring and benchmarking that has taken place to inform the new services.

8. Performance and Benchmarking

- 8.1. Officers have looked at historic performance data to identify trends and potential issues that may affect the implementation of the new services, for example how much residual waste is being reduced and how this may impact on capacity issues when reducing the residual waste collection frequencies.
- 8.2. The graph below shows that there is a general downward trend in all waste collected by the local authority. There is also a downward trend in the amount of residual waste collected from households, which is linked to an upward trend in the amount of recyclables collected from households.



- 8.3. It should be noted that there has been over an 11% increase in the number of households in Lewisham from 110,741 in 2002/3 to 123,252 in 2015/16, and despite this growth in number of households, waste growth has been contained.
- 8.4. Whilst a number of services have been introduced or efficiencies and improvements identified, the reason for this reduction in residual waste could also relate to a number of external factors such as smaller households and people producing less waste due to the economic climate.
- 8.5. The graph also shows the recycling rate. Whilst the recycling rate has increased over the years, it also shows the fluctuations which could have been influenced by purchasing habits changing e.g. not as many newspapers, and packaging technology changing such as plastic pouches instead of plastic bottles. Impacts to the recycling rate are also influenced by changing contracts, new materials that can (or can't) be collected as part of the contract, the impact of the commodities market and the subsequent effect of that on contamination levels.
- 8.6. The street cleansing and fly tipping has been plotted to identify whether the reduction in residual waste has been pushed to the street cleansing service and collected as side waste or fly tipped waste. The graph shows that this is unlikely to be the case and that the tonnage for street cleansing and fly tipping has remained fairly constant for the past few years. When compared to household growth, levels of litter and fly tipping have reduced per household in real terms.
- 8.7. In terms of moving forward tonnage and performance modelling has been undertaken, which shows the impact of the proposed new services on the recycling rate. The performance is shown in two ways, the top three bars show the impact on the kerbside recycling rate, as these are the services that will be impacted by the changes. The baseline modelling bar is taken from the original modelling in the efficiency review. The middle bar is based on the number of garden waste subscriptions at 15% take-up, and is the current take up of garden waste subscriptions. The top bar shows the rate if there is a 5% increase in the take up of garden waste subscriptions, the introduction of food waste and reducing the residual waste to fortnightly. The bottom three bars shows the impact on the recycling rate for the borough as a whole.



- 8.8. To further assist in the understanding of impacts, best practice in rolling out services and mitigating factors, officers have been undertaking benchmarking of London boroughs. Discussions have taken place with Ealing and Croydon who have recently undertaken

changes, as well as Bexley who have high recycling rates. Benchmarking data has also been collated for most of the London boroughs.

8.9. Key points to come out of the benchmarking include:

- Provide additional capacity for larger families and HMO properties;
- Implement a no side waste policy;
- There are no significant impact on levels of participation in food waste services when householders have to purchase their own caddy liners;
- Use an experienced distribution company to distribute caddies;
- Have people on the ground that can advise, assist and handle complaints in the initial roll out;
- No food wastes stickers on refuse bins assists with householders using the food waste service;
- Certain properties such as those on high density red routes, flats above shops and properties where there is no frontage should remain on a weekly residual collection;
- Don't assume behaviour change.

8.10. These key learning points have been embedded in the implementation timetable, the communication plan and the policies for the new services.

8.11. The below sections provide an update on the movement from the original proposal, progress made to date and puts forward proposals for the communications, policies and implementation timetable.

9. Movement from original proposal

9.1. The original proposal put forward to Mayor and Cabinet stated that the new service to kerbside properties would run with eight refuse vehicles, seven recycling vehicles and seven food and garden waste vehicles. The below table details the requirements of the current service, the service as agreed at Mayor & Cabinet and an updated service.

	Current Service	Approved Service at M&C	Proposed New Service	Difference between Approved Service and Proposed New Service
Residual	13 Vehicles 52 Operatives	8 Vehicles 32 Operatives	8 Vehicles 32 Operatives	None
Recycling	7 Vehicles 35 Operatives	7 Vehicles 35 Operatives	7 Vehicles 35 Operatives	None
Food & Garden Waste	N/A	7 Vehicles 21 Operatives	8 Vehicles 32 Operatives	1 Vehicle 11 Operatives
Net Costs	£8.1m	£7.7m	£8.1m	
Movement from Current	-	-£0.4m	£0m	

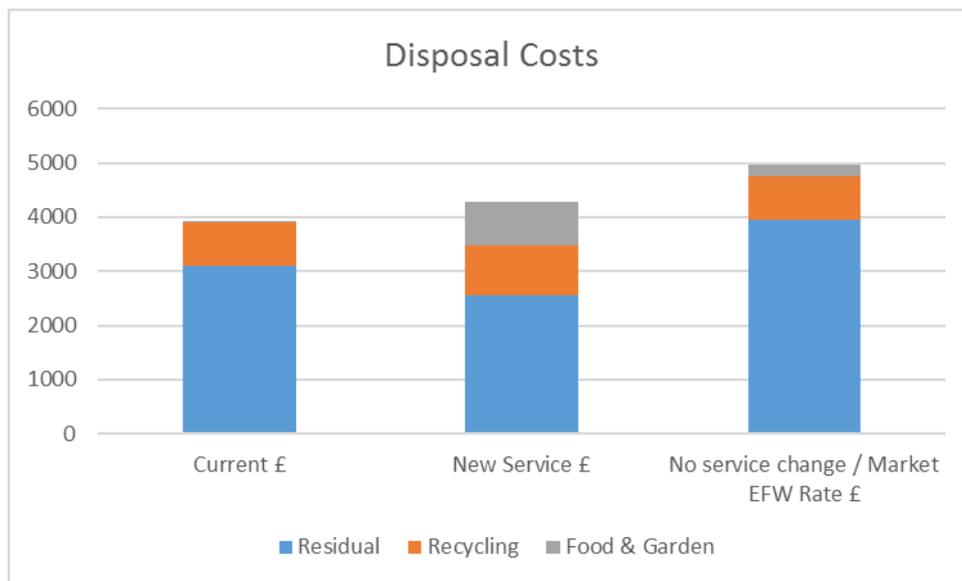
9.2. Officers have benchmarked the operational requirements with other authorities, and have adjusted the resources for the provision of the food and garden waste service to allow for any potential issues with capacity throughout a transitional period. Once the service has bedded in the resource requirements will be reviewed.

9.3. The original approved service at Mayor & Cabinet offered a saving of £0.4m. Following the adjustments the service will not offer an immediate saving.

9.4. However, there are potential future avoided disposal cost savings to take into account. The below graph demonstrates this. The disposal costs for the current service show the disposal

costs of the service before the garden waste subscription service was introduced at just below £3.9m. The introduction of fortnightly collections and the food and garden waste collections brings the disposal costs up to £4.2m. If the service continued as is, i.e. garden waste subscription, weekly recycling, weekly refuse and no food, and an average market rate at today's gate fees for energy from waste applied, the disposal costs would be £4.9m.

- 9.5. Therefore if the new services aren't implemented, the disposal costs are likely to increase. By implementing the new services, whilst in the short term disposal costs are slightly higher than the current costs, in the longer term the Council is ensuring future disposal cost avoidance.

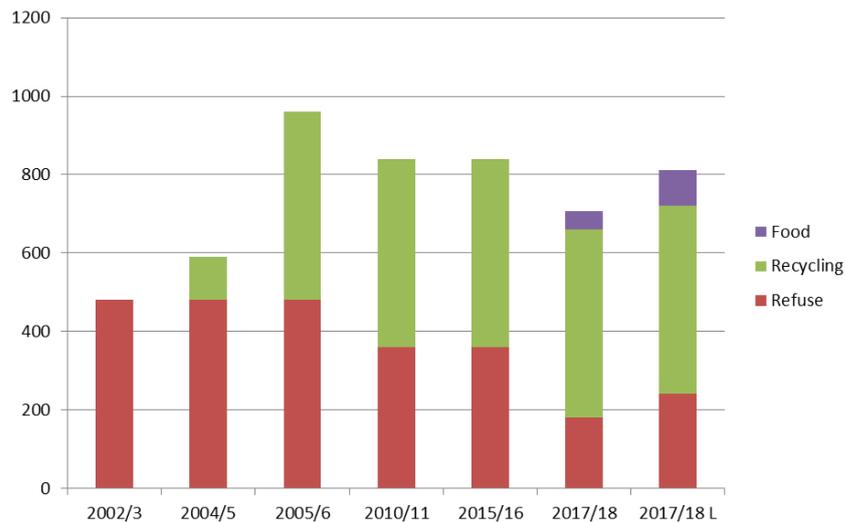


10. Weekly Food Waste Collections

- 10.1. The weekly food waste collection service would be provided to those properties that currently have a wheeled bin collection, except high density red routes. Properties will receive a 23 litre outside food caddy and a smaller 5 litre indoor kitchen food caddy.
- 10.2. An initial supply of biodegradable liners would be provided. Thereafter residents can purchase liners in supermarkets. It should be noted that the food waste will be going to an In Vessel Composting facility and the use of plastic bags as liners will therefore be a contaminant, although the use of newspaper and paper bags will be acceptable.
- 10.3. The food waste should be presented in the 23 litre caddy at the edge of the property on the day of collection. The food waste should not be mixed with the garden waste. Although this will be going in the back of the same collection vehicle, and going to the same processing plant, requesting the householder presents them separately will aid the cleanliness of the garden waste bin and ensure that messaging in the future should disposal options change be easier.
- 10.4. The new weekly food waste service is proposed to begin in June 2017.

11. Restricting Residual Waste Collection Frequency

- 11.1. As householders start to use the food waste service, the spare capacity in the residual (black) bin will increase and collection frequencies can therefore be reduced. The below chart details what the bin capacity has been for residents since 2002/3 over a two week period, i.e. householders in 2002/3 had a 240 litre refuse bin, equating to 480 litres over the two week period.



11.2. In 2004/5 55 litre recycling boxes were provided for residents to recycle paper, and in 2005/6 householders could request a 240 litre recycling bin for their recyclables as we introduced a number of additional materials such as plastic bottles, glass and cans.

11.3. In 2010/11 the Council rolled out to approx. 20,000 households 180 litre bins for refuse, and from that point the bin replacement programme stocked only 180 litre bins, which remains the current position today.

11.4. Since 2002/3 there has been an overall capacity increase of 75% (to 2015/16), with a residual bin capacity reduction of 25% over the same period.

11.5. The bars for 2017/18 show what the capacity will be for households when the new services will be implemented, and this equates to a reduction in overall capacity of 16%.

11.6. However, there will be instances whereby some households are unable to cope with that bin capacity, for example, large families, people living in HMO's, people with children in nappies or people with medical conditions. As such there would be provision to enable people to apply for additional capacity and the bar labelled 2017/18 L shows capacity of a 240 litre refuse bin and an additional food waste caddy. This will be a reduction of 3% on the capacity that they currently have. Although not shown in the bar above, these households can also request additional recycling capacity.

11.7. The changes to waste & recycling services being proposed present an adjustment to the status quo and this is likely to result in an initial backlash or rejection by some people. However, for the new services to be successful, there has to be a shift in behaviour. This is particularly important around getting residents to use the new food waste service. Waste compositional analysis in 2014 showed that 38% of what was in the black bin was food waste.

11.8. The potential risks around behaviour change include:

- No change in recycling behaviour (undermining the benefit of the service change);
- Deterioration in recycling behaviour, where people deliberately refuse to engage or find the changes too confusing;
- Ill-feeling towards the local authority, possibly resulting in complaints;
- Ill-feeling towards recycling processes, possibly resulting in increased cynicism about recycling in general, which could lead to stasis or deterioration in recycling behaviour in the future.

11.9. In implementing the new services there is a need to recognise the triggers that may result in negative attitudes and behaviour, but also ensure that there is spare capacity for those that need it and support householders with the change through education and awareness raising.

11.10. There are, of course, tangible benefits to the service change and some people will recognise this and be supportive of the new services.

12. Weekly Recycling Collections

12.1. Under the proposed service changes recycling collections will remain weekly with all the materials collected in the same bin.

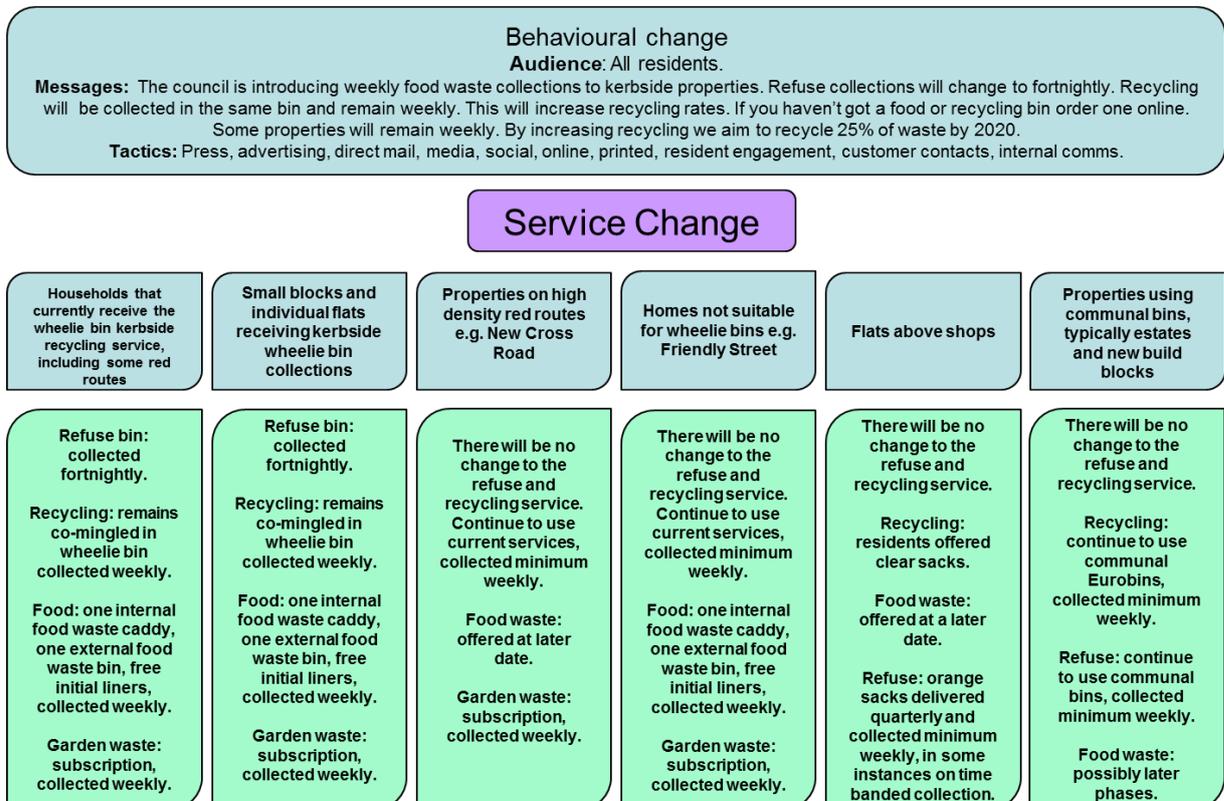
13. Communications

13.1. A comprehensive communications plan has been drawn up, and incorporates lessons from other boroughs as well as from Resource London and the Waste Resources Action Programme.

13.2. The communication required is for three different service changes and needs to be tightly controlled to ensure the messages are communicated effectively and that this instils behaviour change. The three service changes are:

- New food waste service is being introduced to some households;
- Collection days will be changing for some households;
- Refuse collections will now take place fortnightly to some households.

13.3. The illustration below shows the property types and how they will be affected by the service changes.



13.4. There is external funding for some communications elements and Lewisham is working on a joint project with Resource London to produce communication templates for food waste and restricting residual waste i.e. reducing refuse collections to fortnightly.

14. Policies

14.1. As discussed earlier, other boroughs have implemented policies to aid the implementation and potential success of their service changes. The proposed policies for the new services are outlined below.

14.2. Food Liner Policy

- Free initial supply of biodegradable bags issued with food caddies.

14.3. Additional Capacity Policy

- If the following criteria are met then households can request additional capacity:
 - Five or more permanent residents living in the property (4 or more for HMO's);
 - If there are two or more children in nappies;
 - If additional waste is being generated due to medical reasons (e.g. adult nappies, incontinence pads, cardboard boxes).
- The additional capacity provided, if the householder applies, will be:
 - Larger bin provided for refuse;
 - Additional food bin;
 - Additional bin provided for recycling.

14.4. Side Waste Policy

- Advise resident of side waste and do not collect.

14.5. Contamination Policy

- Recycling – Three stage contaminated bin process.
- Food – Resident informed to put contaminated food bin into refuse bin.
- Garden waste – resident to remove before next collection.
- Refuse – Resident informed that bin not emptied if too heavy or has DIY or electrical waste in. Resident to remove before next collection.

14.6. Placement of Bin Policy

- Resident to put on the edge of property for collection;
- Resident to return on to property after collection;
- There will be some instances where bins have to be kept on the street e.g. for health and safety reasons.

15. Implementation Timetable

15.1. The proposed timetable for rolling out the services is detailed in the table below.

	Dec	Jan	Feb	Mar	Apr	May	June	July	August
Treatment facility SLA									
Service design									
Mayor's Briefing, SDSC, M&C									
Purchase containers									
Systems development									
Communications									
Distribution of containers									
Service rollout									
Monitoring & review									

16. Financial Implications

- 16.1 As a part of the 2016/17 and 2017/18 budget strategy, the Environment Division offered an expected saving of £1m over 2 years arising from a review of the Council's waste strategy. To date, £0.6m has been successfully achieved by reducing the cost to the Council of lumber disposal costs from housing estates and the introduction of a garden waste service.
- 16.2 In working towards implementing the major services changes agreed as a part of the new strategy, the division has identified changes to the original plan necessary to ensure a smooth transition to the new service.
- 16.3 Implementing these changes, set out in paragraph 9, means that achieving the £0.4m balance of the savings will not be possible in the initial stages of the new service. Once the service transition to the new service is successfully completed, costs will be reviewed again.
- 16.4 By this time, the garden waste service would also have been in operation for a full year and a clear picture of the income earned by the service will have emerged. This will enable the service to reassess the achievability of the balance of the savings target.

17. Legal Implications

- 17.1. The revised Waste Framework Directive (2008/98/EC) ("The Directive") requires EU member states to set up separate waste collection where necessary and practicable. Where waste paper, metal, plastic or glass has been collected separately all reasonable steps must be taken to keep that stream separate from other waste streams wherever this is necessary to provide high quality recyclables.
- 17.2. Article 4 of The Directive sets out five steps for dealing with waste, ranked according to environmental impact – the 'waste hierarchy'. The 'waste hierarchy' has been transposed into UK law through The Waste (England and Wales) Regulations 2011 (as amended by the Waste (England and Wales) (Amendment) Regulations 2012). Consequently, from 1st January 2015, waste collection authorities, (LB Lewisham as a Local Authority is defined as a "waste collection authority",) must collect waste paper, metal, plastic and glass separately. It also imposes a duty on waste collection authorities, from 1st January 2015, when making arrangements for the collection of such waste, to ensure that those arrangements are by way of separate collection.
- 17.3. The Equality Act 2010 (the Act) introduced a public sector equality duty (the equality duty or the duty). It covers the following protected characteristics: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 17.4. In summary, the Council must, in the exercise of its functions, have due regard to the need to:

- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and those who do not.
- foster good relations between people who share a protected characteristic and those who do not.

17.5. It is not an absolute requirement to eliminate unlawful discrimination, harassment, victimisation or other prohibited conduct, or to promote equality of opportunity or foster good relations between persons who share a protected characteristic and those who do not. It is a duty to have due regard to the need to achieve the goals listed above.

17.6. The weight to be attached to the duty will be dependent on the nature of the decision and the circumstances in which it is made. This is a matter for the Mayor, bearing in mind the issues of relevance and proportionality. The Mayor must understand the impact or likely impact of the decision on those with protected characteristics who are potentially affected by the decision. The extent of the duty will necessarily vary from case to case and due regard is such regard as is appropriate in all the circumstances.

17.7. The Equality and Human Rights Commission has issued Technical Guidance on the Public Sector Equality Duty and statutory guidance entitled “Equality Act 2010 Services, Public Functions & Associations Statutory Code of Practice”. The Council must have regard to the statutory code in so far as it relates to the duty and attention is drawn to Chapter 11 which deals particularly with the equality duty. The Technical Guidance also covers what public authorities should do to meet the duty. This includes steps that are legally required, as well as recommended actions. The guidance does not have statutory force but nonetheless regard should be had to it, as failure to do so without compelling reason would be of evidential value. The statutory code and the technical guidance can be found at: <https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-codes-practice> and <https://www.equalityhumanrights.com/en/advice-and-guidance/equality-act-technical-guidance>

17.8. The Equality and Human Rights Commission (EHRC) has previously issued five guides for public authorities in England giving advice on the equality duty:

- The essential guide to the public sector equality duty
- Meeting the equality duty in policy and decision-making
- Engagement and the equality duty: A guide for public authorities
- Objectives and the equality duty. A guide for public authorities
- Equality Information and the Equality Duty: A Guide for Public Authorities

17.9. The essential guide provides an overview of the equality duty requirements including the general equality duty, the specific duties and who they apply to. It covers what public authorities should do to meet the duty including steps that are legally required, as well as recommended actions. The other four documents provide more detailed guidance on key areas and advice on good practice. Further information and resources are available at: <https://www.equalityhumanrights.com/en/advice-and-guidance/public-sector-equality-duty-guidance#h1>

18. Equalities Implications

18.1. An Equalities Analysis Assessment has been conducted relating to the potential changes to the waste & recycling services and was detailed in the February 2016 Mayor & Cabinet Report.

19. Environmental Implications

19.1. Environmental considerations have been taken into account as part of the drivers for change, and were detailed in the February 2016 Mayor & Cabinet Report.

20. Crime & Disorder Implications

20.1. There are no direct crime and disorder implications.

21. Conclusion

21.1. This report has updated Mayor & Cabinet on the progress of the planned waste & recycling service changes. It further proposes an implementation timetable as described in Section 15.

22. Background Papers and Further Information

22.1. Background papers which can be found at Item 353 on this link <http://councilmeetings.lewisham.gov.uk/ieListDocuments.aspx?CId=139&MId=3865> and include:

- a) 'Let's Talk Rubbish' Consultation Results & Waste Regulations Assessment for Proposed Changes to Waste & Recycling Service, Mayor & Cabinet Report February 2016
- b) Consultation on Potential Waste & Recycling Service Collections, Mayor & Cabinet Report, July 2015
- c) Let's Talk Rubbish Focus Group Report, October 2015
- d) Lewisham Citizen Forum Project Report, Ricardo E&E, October 2015
- e) Waste Regulations (TEEP) Assessment of Kerbside Collection Options, Anthesis, November 2015
- f) Equalities Analysis Assessment, November 2015

22.2. For further information relating to the report, please contact Sam Kirk, Strategic Waste & Environment Manager on 020 8314 2076 or email sam.kirk@lewisham.gov.uk.