

**Somerset Waste Board**  
**Friday 15 February 2019**  
**10.00 am Library Meeting Room, Taunton**  
**Library, Paul Street, Taunton TA1 3XZ**

**SUPPLEMENT TO THE AGENDA**

To: The Members of the Somerset Waste Board

We are now able to enclose the following information which was unavailable when the agenda was published: **PRESENTATIONS FOR AGENDA ITEMS 5 AND 7**

Item 5	Resource and Waste Strategy (Pages 3 - 28) To consider the report
--------	--

Item 7	Recycle More Project Update (Pages 29 - 36) To consider the report
--------	---

Published on 15 February 2019

Democratic Services, County Hall, Taunton

This page is intentionally left blank

# National Resources and Waste Strategy

## Somerset Waste Board Feb 2019



# Contents

- Summary and context
- Key proposals:
  - Extended Producer Responsibility
  - Deposit Return Scheme
  - Consistency (inc. food waste and garden waste)
  - Recycling Centres
  - And lots more...reuse, planning
- Implications for SWP and partners.
- Next steps

# Summary and Context

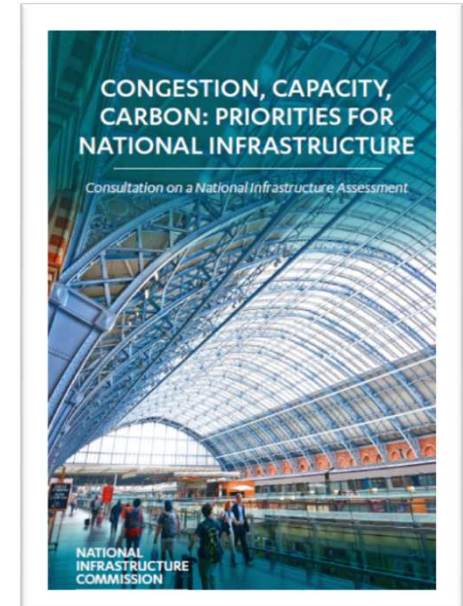
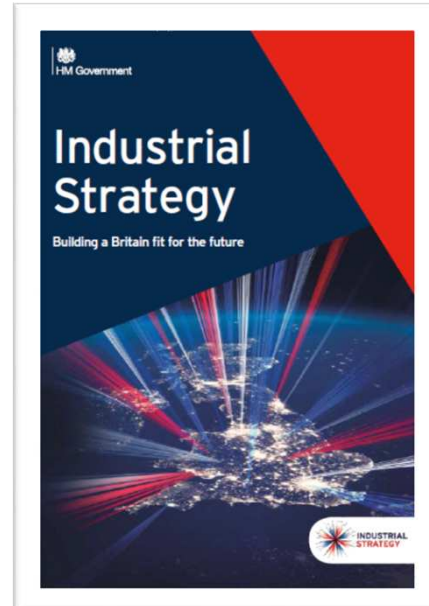
# Resources and Waste Strategy

- Published December 2018
- Key focuses: Lifecycle approach, 'polluter pays', resources, quality and consistency, embracing carbon targets, intervention
- What we like:
  - Nearly all of it!
  - SWP recognised in the Strategy for its commitment to quality, high level of UK recycling, and pioneering food waste collections
- Concerns: Charges at recycling centres, free garden waste collections, incineration tax, timescales
- Most major policies subject to consultation so limited detail at this stage.

## Context: Commitments from EU

- Packaging waste recycling targets: 65% by 2025 & 70% by 2030
- Challenging targets for other materials
- **Mandatory extended producer responsibility schemes for all packaging must be introduced**
  - *Financial contributions paid by producers to EPR schemes to be relative to the costs necessary to treat their products at the end of their life*
  - *EC desires full net cost recovery (100% is idealised) to pay for materials collection, handling and leakage*
- EU Plastics Strategy
  - *by 2030, all plastics packaging should be recyclable!*
  - *35% recycled content in beverage bottles too*

# Context: Green growth



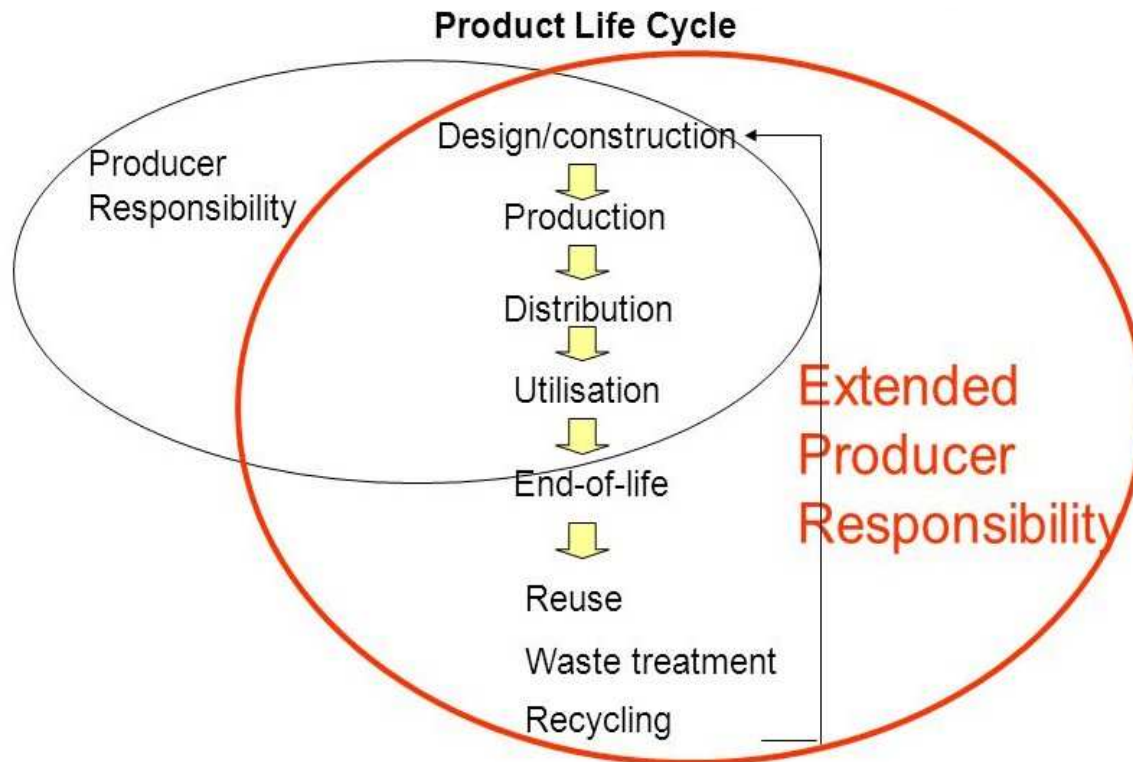


# Key policies

# Extended Producer Responsibility (EPR)

What does it mean?

- Brand owners and manufacturers taking environmental responsibility for their products and packaging at the end of their lives and when they become waste.



## EPR: How might it work?

- Producers become responsible for the full cost of collecting, sorting and/or disposing of their products
- They would pay a fee or deposit to a central body – which may be higher or lower depending on the environmental impact of the product
- Producers would have to evidence a higher rate of recycling in order to get their deposit back or pay lower fees
- ‘Placed on market’ fees should support collections/recycling/disposal
- Fees to collectors/handlers/LAs may be based on industry upper quartile performance to drive competition and keep overall costs down
- Brands ultimately retain ownership of the packaging (and the value of the material)
- Unclaimed deposits provide the transition fund to help LAs move to new systems (and for materials campaigns) or litter

**(Illustration only – not in the strategy)**

## EPR: why does it matter

- Businesses and manufacturers would pay the full cost of recycling and disposal of their products. Currently pay c. 10%.
- Should improve packaging design (eco-design)
- Should result in better consumer information
- Should drive increased focus on quality:
  - *“Full Net Cost Recovery plus brand demand for quality feedstocks for their reprocessing will make kerbside sort programmes far more desirable and affordable”*
- Should stimulate demand for secondary plastics and UK infrastructure
- **Local authority costs should be paid for by packaging firms**

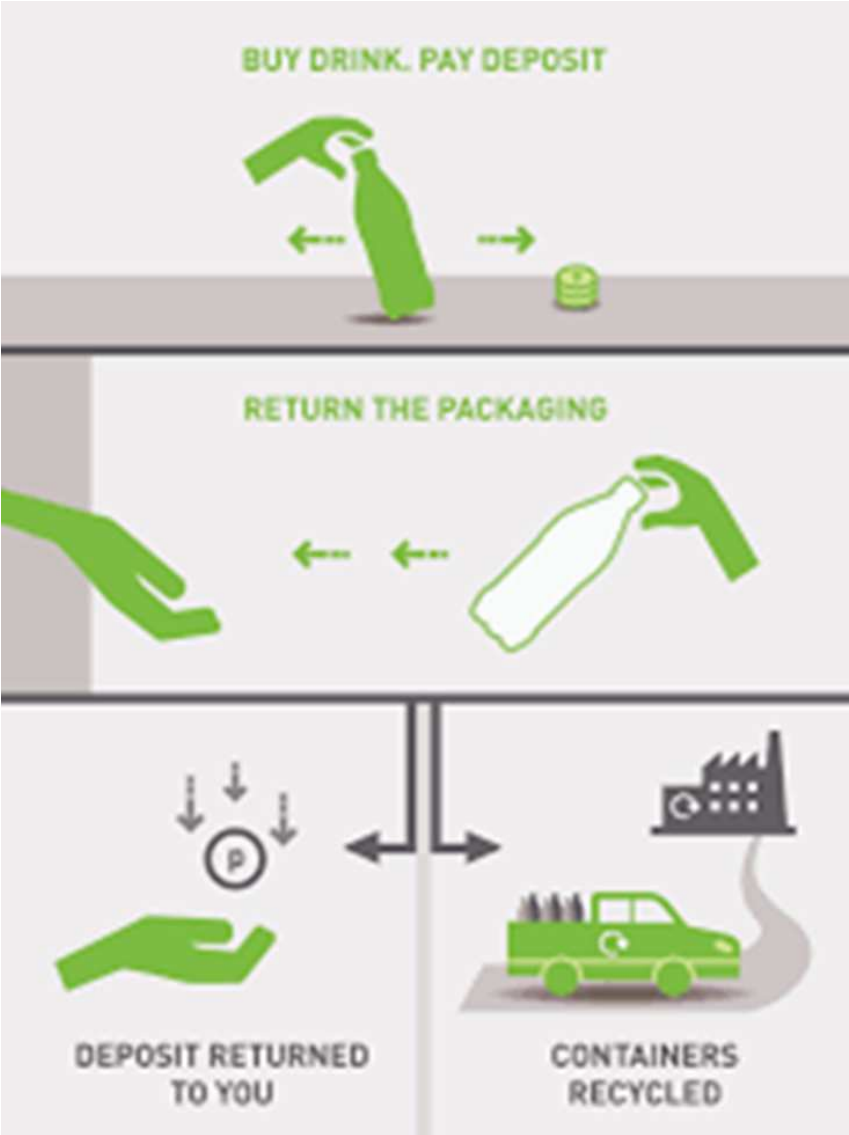
# What is government proposing?

- Consultation on EPR imminent:
  - Which of 4 systems will be chosen (control, competition, money flow, targets)
- Packaging EPR planned for 2023 implementation
- Looking for consistent approach e.g. batteries, WEEE and cars (2020 -2021)
- From 2022 extended to other waste streams: textiles, construction products, tyres, fishing gear, bulky waste (e.g. furniture, mattresses, carpets)
- Tax on packaging containing less than 30% recycled content – (possibly in 2022 subject to consultation)

## What does it mean for SWP?

- Our focus on quality resources should stand us in good stead:
  - Kerbside sort delivers high quality materials to UK reprocessors
  - Additional materials under Recycle More (linked to consistency consultation)
- However three clichés apply:
  - *Devil will be in the detail...*
  - *He who pays the piper...*
  - *Show me the money...*
- Potential implications for recycling centres from future EPR (especially bulky waste)

# Deposit Return Scheme (DRS)



## What does it mean for SWP?

Kerbside recycling:

- Beverage containers largely removed from kerbside recycling – materials and sizes to be included subject to consultation
- Loss of value of containers from recycling income but reduced disposal costs (**likely to be significant negative impact for SWP**)
- Impact on vehicle design/utilisation and box impossible to predict
- **SWP will closely scrutinise consultation, but very sceptical about whether it is the right priority at the right time (and whether we will be compensated for significant losses).**

Recycling Centres: Limited - possibility of hosting deposit return points?

Litter: Working closely with District partners, but claimed savings appear difficult to stack up for Somerset

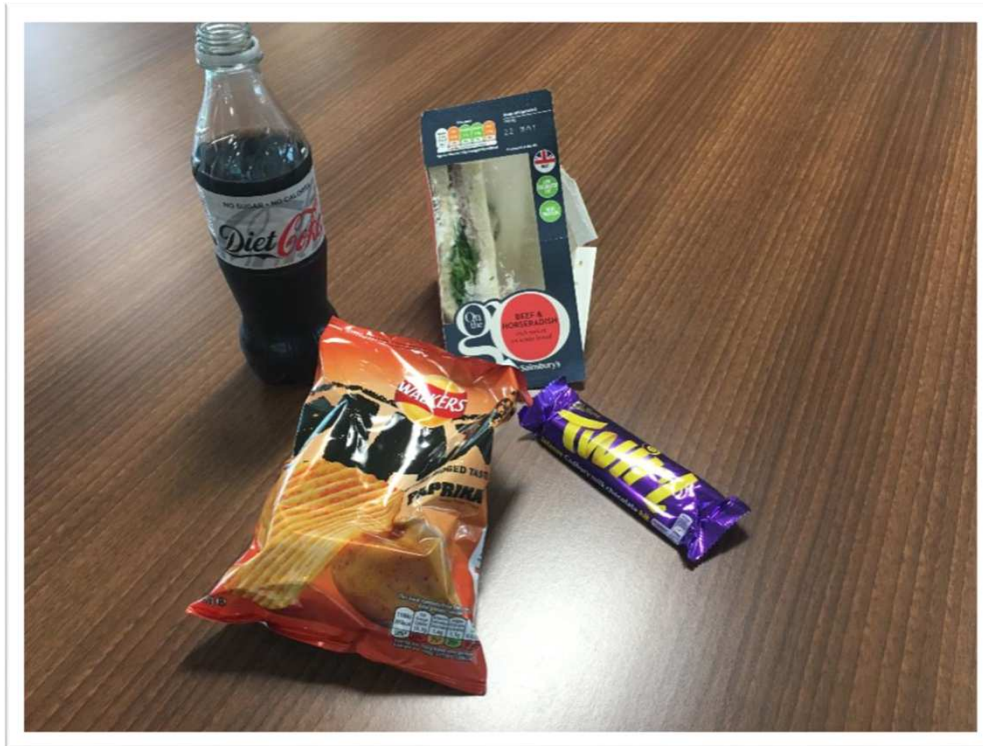


# Consistency in collections

## What is proposed?

- A standard set of materials proposed for collection
- Guidance on collection schemes/minimum service standards
- Focus on quality in the way collections are organised
- Standard labelling to inform consumers on recycling/disposal
- Mandatory separate weekly food waste collections
- Free garden waste collections (a potential £6m bill for Somerset)
- Focus on improving urban recycling

# What might labelling mean?



**A++** Excellent sustainability

**A+** Good sustainability

**A** Sustainable

**B** Some sustainability

**C** Limited sustainability

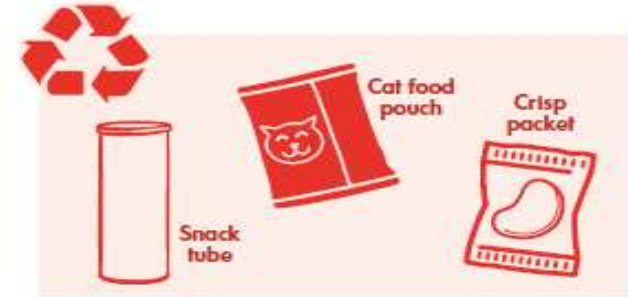
**D** Poor sustainability

**E** Very poor sustainability

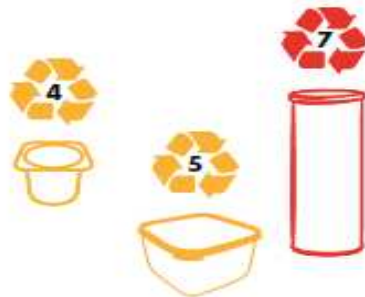
↑ SUSTAINABILITY GRADING SYSTEM

# What might labelling mean?

## COLOURS TO INFORM PURCHASE



## NUMBERS TO RECYCLE BY



© SUEZ recycling and recovery UK

## Recycling Centres

- **Quality standards to be set for recycling centres**  
– no details on how this will be measured (site densities, hours of provision) – SWP is well-placed on these issues.
- Changes to the Controlled Waste Regulations to clarify **charging for non-household (e.g. DIY) waste**. This is likely to be tightened up – could cost SWP (SCC) c£600k (central estimate) and add back 80% of waste
- Increased provision of **reuse** at Recycling Centres including reuse shops like that at Priorswood.

# Waste reduction and reuse

- Looking at increasing longevity of products
- Extended warranties and guarantees
- Supporting remanufacturing markets and quality standards for refurbished items
- Support reuse and repair
- Increased provision of Reuse shops at Recycling Centres
- Support activities to minimise waste (eco-design, buying habits etc)
  
- We are unlikely to hit future targets unless we (nationally) focus on this (SWP Business Plan already reflects need to do more)

# Data Reporting/Targets

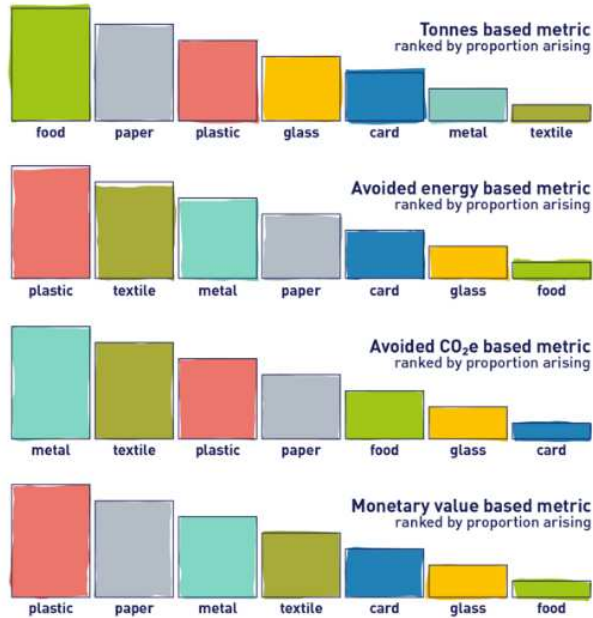
## What is proposed?

- Change of focus from weight based reporting to carbon based reporting to help target materials with a greater impact
- Businesses to report Food waste surpluses and waste
- National materials data hub to match resources with those requiring them
- Review of targets for authorities – consideration of individual targets rather than national ones. Unclear if obligated or advisory.
- New recycling and packaging targets (recycling 50% by 2020, 65% by 2035, packaging recycling target 75% by 2030)



# Why does data matter?

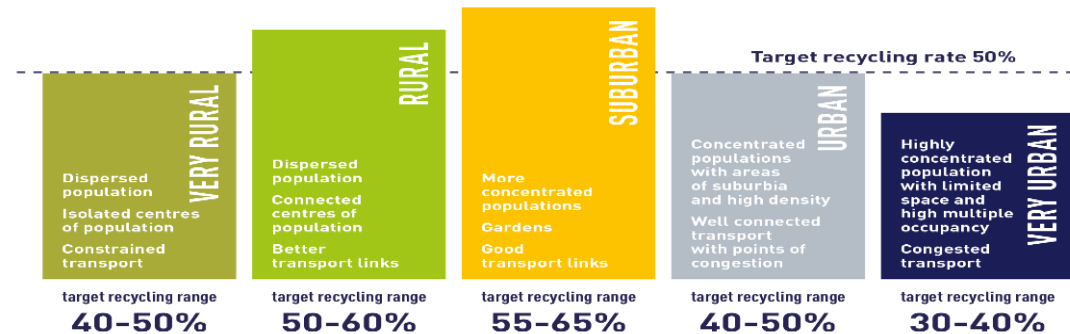
RECYCLING METRICS →  
BY PROPORTION ARISING



↓ LOCAL AUTHORITY DNA



↓ EXAMPLE OF LOCAL AUTHORITY DNA POTENTIAL  
DIFFERENTIAL RECYCLING TARGET APPLICATION



- *Differential targets based on characteristics of different LA areas?*

# Business Recycling

## What is proposed?

- Much stronger focus on business waste (especially that similar to household waste)
- Businesses to be subject to the same consistency of materials as households.
- Reporting of food surpluses and waste
- Small businesses to coordinate collections to reduce costs

## What does this mean for us?

- SWP to understand further and consider as part of new SWP strategy
- SWP already exploring collaborative procurement/encouraging small businesses to coordinate collections (and suggested this to Defra!)



## Other (not an exhaustive list)

- Review of two-tier working and payments (e.g. recycling credits)
- Green procurement
- Positive proposals on Anaerobic Digestion and Energy from Waste
- Lots focussed on food chain e.g. clamping down on changing specs from supermarkets leading to wasted products at the farm
- Planning, including engaging with landlords to promote recycling in HMOs, aligning the National Planning Policy for Waste and planning practice guidance with the Resources and Waste Strategy.
- Waste crime
- Innovation and research
- Threats:
  - Incineration tax
  - Ban on food waste to landfill

## Timeline

Consultations expected late-February (for only 8 weeks)

- Extended producer responsibility
- Deposit Return Scheme
- Consistency

Then consultations (in first half of 2019) on:

Mandatory weekly food waste collections

- Free Garden waste collections
- Targets
- Standards for bio-plastics

More consultations to follow after that...

Most policies not in place until at least 2023

## Next Steps

- SWP to respond to consultation:
  - working with all partners,
  - Working regionally
  - Working through national associations
  - To offer briefings to key stakeholders (inc local MPs)
- SWP to seek to influence views on key issues (e.g. garden waste and DRS)
- SWP to reflect in our own strategy (once detail is clearer)

This page is intentionally left blank

**Waste and Recycling Collection  
Contract Procurement**

**SOMERSET WASTE BOARD**

15 February 2019



# Agenda

- Progress Report: Update on dialogue/procurement process
- Timetable
- Affordability
- Key issues:
  - Depots
  - Vehicles

## Progress report

- Planned dialogue sessions concluded before Xmas
- Additional legal support on works contract element of contracts
- All other elements of contract finalised
- Final dialogue held to ensure final changes had not introduced any issues
- Dialogue closed and final tender documents issued

# Timetable

Phase	Time	Comments
<b>Deadline for submission of final tenders</b>	27 Feb	This gives bidders the same amount of time that they previously had to finalise their tenders, and all bidders are aware of the proposed timeline
<b>Evaluation of final tenders</b>	4 -15 March	This timetable has already been reduced to the minimum viable period. To ensure the robustness of the process quality and financial evaluations are kept separate.
<b>Moderation</b>	18-21 March	
<b>Partner meetings</b>	22 March	
<b>SWB decision on preferred contractor</b>	29 Mar	Public paper (no information on final bids) + confidential paper & Equality Impact Assessment
<b>End of call-in period</b>	9 April	We can't notify bidders until this period has finished
<b>Contractual standstill period</b>	To 19 April	Mandatory period.
<b>Public announcement of contract award</b>	13 May	Expected date of public announcement of new contractor. Further clarity on borrowing may be required ahead of contract award.
<b>Mobilisation</b>	To end March 2020	This is the period in which the new provider gears up to provide the services including procurement of vehicles, plant and equipment, and close engagement with staff.
<b>Service Commencement</b>	28 March 2020	The first collections by the new provider will be on Monday 30 March 2020.
<b>Complete roll out of Recycle More</b>	End of March 2022	The specification requires that Recycle More must be rolled out in 5 phases within 2 years of commencement, including a bedding in period of 3 months and allowing for a period of learning and reflection in March and April 2021.



# Affordability

- Evaluation of contract has a robust financial model which considers all elements (capital and revenue, current service and Recycle More)
- December 2016 SWB decision:
  - “The new Recycle More services are estimated to deliver combined total collection and disposal savings of approximately £1.7m per annum, before initial roll out costs are taken into consideration.”
  - “Initial roll out and support costs for Kier and SWP combined, including extra containers, are estimated at approximately £2.2m.”
  - “Arrangements are already in place to provide funding for new recycling collection vehicles in exchange for a contract discount to the net advantage of the partners.”
- Financial principles agree by SWB in December 2015 (e.g. don't penalise/reward partners for when they roll-out)

## Depots

- Key area for successful commencement
- Leases
  - Partner sites: Bridgwater, Williton and Lufton
  - Private sites: Taunton (Walford Cross) and Evercreech
    - Leases must be in place for contract award
    - Developments subject to planning
    - Access to Evercreech Area 5 likely to be required in advance of service commencement required

# Vehicles

- Key issue for successful service commencement
- Vehicle choice depends upon bidders
- For suppliers to place orders:
  - Contract needs to be signed
  - Draw down arrangements to be in place for borrowing
  - Long build period
- Competition for build slots
  - Increased engagement with suppliers
  - Looking to obtain reassurance without making a commitment

This page is intentionally left blank