

**CABINET
7 JANUARY 2025**

ENVIRONMENT ACT 2021 – HOUSEHOLD WASTE MANAGEMENT ARRANGEMENTS

**Responsible Cabinet Member -
Councillor Libby McCollom, Local Services Portfolio**

**Responsible Director -
Dave Winstanley, Executive Director – Environment, Highways & Community Services**

SUMMARY REPORT

Purpose of the Report

1. The purpose of the report is to outline the requirements of the Environment Act 2021 and to provide details on options for improved dry recycling as part of the development of a new statutory weekly food waste collection service.

Summary

2. The Environment Act 2021 (hereinafter referred to as the 'Act') has a broad remit to improve air and water quality, protect wildlife and increase recycling and reduce plastic waste. This report provides an overview on the requirements of the Act in relation to waste management and focusses on the requirement to introduce a weekly food waste collection service by April 2026.
3. The main requirements of the Act are:
 - (a) **Food Waste Collection:** from March 2026, local authorities must collect food waste weekly from all residential properties.
 - (b) **Simpler Recycling:** new Simpler Recycling collections will be introduced with the aim to produce standardisation. This will be applied to local authorities and businesses over the coming years.
 - (c) **Extended Producer Responsibility (EPR):** this element of the Act places the responsibility onto packaging producers to cover the full net cost of dealing with the packaging they place on the market.
 - (d) **Deposit Return Scheme:** will be operational from October 2027 where individuals can return polyethylene terephthalate (PET) bottles, steel, and aluminium cans from 150ml to 3L in size and will receive a refund on the deposit paid. Supermarkets and convenience stores to act as return points.

4. The main report provides more information on the above requirements of the Act.

Food Waste Collection

5. The Council will have to provide residents with the facility to recycle food waste and have it collected weekly from their property.
6. The report outlines the current household waste management arrangements and what actions the Council needs to consider to introduce a weekly food waste collection service.
7. To assist in developing a service the waste composition from refuse has been analysed to understand the volumes and food types that are disposed of currently. There has also been a review of best practice and performance undertaken on authorities already operating a food waste collection and we have engaged the Waste and Resources Action Programme (WRAP) to inform options for the service.
8. Best practice from Authorities that have been operating food waste collection for a number of years suggests providing a 5-litre or 7-litre internal kitchen caddy and a 23-litre external bin for food waste provides the best arrangement and yield performance.
9. Given the nature of food waste, the provision of compostable caddy liners to manage the food waste within caddies is also shown to yield better uptake of recycling.
10. There are a number of options on how food waste can be integrated into household waste management arrangements, and these are presented in the main report. The options compare the cost and performance in terms of recycling activity.
11. The costs of introducing the new statutory requirements are from New Burdens funding from Government, which should mean a cost-neutral impact on the Council's Medium Term Financial Plan (MTFP). However, the initial indications are that the allocation from New Burdens funding may not be sufficient to fully cover the costs of any of the options being considered.
12. Officers have sought clarity from Government on the levels of funding that will be forthcoming to assist planning and decision making. It was hoped that levels of funding would be made known as part of the Autumn Budget and settlement, but that is not the case. The latest position on funding is below.
 - (a) Capital Allocation - £1,182,778 allocated to Darlington Borough Council.
 - (b) Transition Funding – expected to be announced at the end of financial year 24/25.
 - (c) Operational Funding – expected to be announced early in financial year 25/26.
13. Decisions on the project have been delayed in anticipation of having more information on New Burdens funding to make more informed decisions. However, Government have confirmed the timetable above for funding announcements and as such decisions do need to be taken to progress with the project.
14. The Council have alerted Government that the deadlines are extremely tight given the uncertainty on funding and as such will undertake best endeavours to ensure food waste collections are in place by April 2026 or as soon as possible thereafter.

15. Officers are progressing preparations where possible. Procurement exercises will need to be progressed for equipment and vehicles, and there will be additional requirements to manage vehicles and waste management services.
16. There will also need to be a procurement exercise for a provider to treat the food waste. Collaborative procurements with other Authorities will be undertaken where practical and possible.
17. The new service will require additional staff as outlined in the main report and a staff recruitment process and training programme will be put in place.
18. A communication and implementation strategy will also be developed to make residents aware of the new requirements and ensure recycling is maximised.
19. The options have been considered by the Communities and Local Services Scrutiny Committee and they requested further options be modelled, which have been included in the report. Further clarification and feedback from the Government has been provided regarding consultations that have been undertaken, which has informed some of the options considered.
20. Waste Management and recycling are important services to our residents and contribute to the Council's climate change ambition. Councils are judged on recycling performance, and this will increasingly be the case. Therefore, household waste management arrangements are likely to evolve further, which informs the recommendation to Cabinet. It is recommended that Option 4 (weekly dry recycling including food waste in similar recycling vehicle as current and fortnightly residual waste collection using current residual bin) be progressed given the timescale challenges that exist. This option provides the maximum flexibility to build and further develop on this option once embedded. It is considered that a move to Option 3 or 5 within the current time constraints is not achievable and further work should be progressed on these options once the food waste service has been established and performance reviewed.

Recommendations

21. It is recommended that following be approved.
 - (a) The arrangements for waste collection identified as Option 4 in the main report be progressed.
 - (b) Each household be issued with a 5-7L internal caddie and external 23L bin for food waste.
 - (c) For the first year of the scheme each household be issued with 52 compostable liners at a cost of approximately £35,000.
 - (d) The capital funding of £1,182,778 be released to enable the scheme to progress.

Reasons

22. The recommendations are supported by the following reasons:

- (a) Option 4 provides the maximum flexibility to develop recycling performance once food waste recycling has been introduced and embedded.
- (b) To enable the project to progress and procurement processes to commence for vehicle, caddies, bins and treatment of food waste.
- (c) To enable the Council to undertake best endeavours to ensure food waste collections are in place by April 2026 or as soon as possible thereafter.
- (d) To enable the funding to be utilised on scheme costs.

Dave Winstanley
Executive Director – Environment, Highways and Community Services

Background Papers

- (i) Composition Analysis of Darlington Kerbside Residual Waste report.
- (ii) Waste and Resources Action Programme (WRAP) report - An Assessment of Alternative Household Waste Collection Services Design.
- (iii) Waste and Resources Action Programme (WRAP) - Darlington Borough Council Benchmarking Report

Ian Thompson: Extension 6628

Council Plan	A positive impact on the core principle of tackling climate change and the Local Environment priority is anticipated by managing waste more sustainably.
Addressing inequalities	There is no adverse impact on diversity as a result of this report. Assisted collections will still be available.
Tackling Climate Change	A high-level assessment of the impact on carbon emissions has been carried out on the different options within this report and presented for members to consider.
Efficient and effective use of resources	Option 4 provides a step change in performance and provides the greatest flexibility to continue to review performance with the opportunity to move to Option 3 or 5 in the future, which allow for savings to be made.
Health and Wellbeing	Collecting and disposing of waste more sustainably has a positive impact on residents' health and wellbeing.
S17 Crime and Disorder	There is no direct impact on crime and disorder resulting from the recommendations of this report. However, there is an indirect impact if refuse and recycling is not collected on regular basis.
Wards Affected	All wards
Groups Affected	There is no impact on any particular group as a result of this report.
Budget and Policy Framework	There is no impact on the budget or policy framework.
Key Decision	Yes – affects all wards.
Urgent Decision	No
Impact on Looked After Children and Care Leavers	This report has no impact on Looked After Children or Care Leavers.

MAIN REPORT

Information and Analysis

21. The main requirements of the Act with regards to waste management are:

- (a) Statutory Food Waste Collection;
- (b) Simpler Recycling;
- (c) Extended Producer Responsibility (EPR);
- (d) A Deposit Return Scheme (DRS).

Food Waste Collections

22. From the end of March 2026, local authorities must collect food waste weekly from all residential properties, unless transitional arrangements have previously been agreed. The analysis and options for providing this new service are detailed later in the report. The date for Darlington to implement this service is 31 March 2026. The challenges associated with this deadline and flagged in this report and have been raised with DEFRA.

Simpler Recycling

23. The Simpler Recycling policy aims to make recycling easier for people in England, by making collections consistent for all households, businesses and relevant non-domestic premises (such as schools and hospitals).
24. Collections will be designed with the aim to produce standardisation of collections and recycling of materials across the Country: plastic, metal, glass, paper, card, food waste and garden waste (a charge can be applied for collection of garden waste).
25. The following considerations were introduced in government proposals on 21 October 2023:
- (a) Subject to consultation, Waste Collection Authorities can co-collect dry recyclables without the need to submit a written assessment.
 - (b) Subject to consultation, a requirement that Waste Collection Authorities collect residual waste at least fortnightly, if not more frequently, to protect local amenities and prevent unintended consequences of cutting residual waste frequency.
26. The above proposals were subsequently included in a private consultation with local authorities earlier this year. At the end of November 2024, DEFRA issued separate updates and guidance on Simpler Recycling. DEFRA announced that the new default requirement for households will be four containers, which are for:
- (a) Residual (non-recyclable) waste;
 - (b) Food waste (which can be mixed with garden waste, if appropriate);
 - (c) Paper and card;
 - (d) All other dry recyclable materials.

27. If a Local Authority proposes to mix paper and card with other recyclable material, an assessment must be completed that would establish whether the separate waste collections are technically, environmentally and economically practical (known as TEEP assessment). A Local Authority would need to evidence that the separate collection of paper and card is not believed to be technically practicable, economically practicable or has no significant environmental benefit, if it wished to co-mingle materials.
28. The government has also issued guidance on ensuring good waste collection services to households, which states the following:

“As is currently the case, waste collection authorities should continue to decide collection frequency and methodology for collecting residual waste (non-recyclable waste) and dry recycling waste streams and do so in a way that meets local needs and provides value for money for the taxpayer.

When waste collection Authorities are planning and delivering waste collection services from households, they should make sure that: -

- a) All households have reasonable residual and recyclable waste collections*
- b) They consider providing additional services for specific needs, such as households with medical needs*
- c) There is no build-up of odorous waste at the kerbside*
- d) Changes to collections do not lead to an increase in fly-tipping of residual waste”*

29. The Environment Act 2021 also places requirements on businesses as well as local authorities. Timescales for implementing the various requirements are as follows:
- (a) By 31 March 2025, businesses, and non-domestic premises (except micro-firms - businesses and non-domestic premises with less than 10 full-time equivalent employees), will be required to recycle all recyclable waste streams: metal, glass, plastic, paper, card, and food waste (excluding garden waste and plastic film).
 - (b) By 31 March 2026, local authorities will be required to collect all six recyclable waste streams (excluding plastic film), from all households. Local authorities must collect food waste weekly (except where a transitional arrangement applies, affected local authorities will have a later implementation date set in regulations). The date for Darlington is 31 March 2026.
 - (c) By 31 March 2027, micro-firms (businesses and non-domestic premises with less than 10 full-time equivalent employees) will be required to recycle all recyclable waste streams (excluding garden waste). Plastic film collections from all households, businesses and non-domestic premises will also begin.

Extended Producer Responsibility (EPR)

30. This element of the Act places the responsibility onto packaging producers to cover the full net cost of dealing with the packaging they place on the market. This funding is to assist Local Authorities to pay for the cost of waste collection and disposal and will be included in the Medium Term Financial Plan.

31. EPR is not intended to subsidise food waste collections because New Burdens Funding should cover the cost. However, the EPR funding is not ringfenced and with the New Burdens funding likely to be insufficient, it can be used to cover any shortfall in delivering new waste arrangements.
32. Local authorities will receive EPR payments from 2025/26, and the Council was notified in late November 2024 that the payments for 2025/26 will be £2,627,000. This EPR figure will be reviewed annually and will decrease over time as producers improve their systems and processes.
33. This payment also has a performance related assessment. There will be a regulator appointed to manage the scheme who will also carry out an assessment of a local authority's recycling service based on the efficiency and effectiveness of the service. From 2027/28 a deduction from the payment to local authorities can be imposed if falling below the required benchmark. The maximum deduction will be 20%.

Deposit Return Scheme

34. The scheme will be operational from October 2027 where individuals can return polyethylene terephthalate (PET) bottles, steel, and aluminum cans from 150ml to 3L in size and will receive a refund on the deposit paid. Supermarkets and convenience stores will act as return points.

Review of existing Waste Management Services to meet the requirements of the Act

35. The requirements of the Act and the provision of a food waste collection service for residents will have implications for the Borough's local waste management. The following section of the report outlines the current arrangements and what will be necessary to meet the requirements of the Act.

Existing Services

36. As background information, the following provides Members with an overview of the current waste management services.
 - (a) There are five fortnightly residual waste collection service rounds across the Borough using a 240L wheeled bin (larger 360L bin for larger households).
 - (b) There are six fortnightly dry recycling collection service rounds across the Borough collecting paper, card, glass, plastics and tins. Most properties use a 240L wheeled bin for plastic and tins and internal caddy for paper and card as well as 40L box for glass.
 - (c) Approximately 7,000 properties (mainly terraced properties) use a reusable sack for paper and card, a 40L box for plastic and tins and a 40L box for glass. Families of five or more people can request a larger 360L wheeled refuse bin, which can be swapped for their 240L bin free of charge.
 - (d) The Council operates an optional fortnightly garden waste collection service operating from April to December using a 240L wheeled bin.

- (e) There are two rounds covering the Borough and there is an annual charge of £45, with 11,000 subscriptions to the service in 2024.
37. Residual waste is delivered to the treatment plant where it is bio-dried and any remaining recycling material that can be extracted from dried waste is removed through a mechanical process. The remaining waste is either then used as a refuse-derived fuel (RDF) and sent to a suitable facility or waste is landfilled in accordance with the waste management hierarchy.
38. Recycling material is delivered to the transfer station where it is bulked up and then sent onto reprocess.
39. Garden waste is composted through the treatment plant to PAS 100 standard, which can then be spread onto farm fields. PAS 100 is the compost association accreditation scheme and certified by the British Standards Institute.
40. Our existing collection arrangements meet the requirements of the Act, except for the requirement to provide a food waste collection service.
41. Whilst not part of this report, the Council provides a commercial residual waste collection service to 449 businesses within the Borough, including DBC facilities. All businesses have been contacted to inform them of the changes within the Act that affect them. In addition, information has been requested from businesses to enable us to understand how many of our customers meet the requirements and what services they will require from March 2025. We have also included information in One Darlington, on our web site and through the team to try and inform businesses that are not currently DBC customers.
42. The costs associated with the existing household waste collection treatment and disposal services are set out in **Table 1**, below:

Table 1

Description of Expenditure	Cost / £
Vehicle Costs	1,242,000
Employee cover costs including PPE, Training and consumables	2,097,156
Collection containers – replacements and new require	103,034
Waste disposal costs	2,461,415
Income from recycled material and garden waste service	-613,618
Total Costs	5,289,987

43. The annual tonnage from each of the waste streams from the current collection arrangements based on 2022/23 data is as follows:
- (a) Residual waste 22,338 tonnes, an annual household yield of 427 kg.
- (b) Dry recycling 6,226 tonnes (including 15% contamination) an annual household yield of 119 kg.
- (c) Garden waste 2,390 tonnes, an annual household yield of 228 kg.

44. This generates an annual total of 30,954 tonnes of waste collected from all households with an annual yield per household of 774 kg.
45. From kerbside collection, this equates to a recycling and composting rate of 24.8%.

Performance and Benchmarking

46. The Waste and Resources Action Programme charity (WRAP) have been engaged by DBC officers to support the development of options. WRAP is a government-funded charity that works with and supports local authorities, business and communities, helping them to reduce and manage waste in a sustainable way. They have extensive knowledge of the waste industry and have developed a range of products and tools to support local authorities.
47. A detailed benchmarking exercise of the existing services against local authorities with a similar profile to DBC has been carried out. The comparator groups used were other North East Authorities and WRAP's Rurality Groups 4 and 5 (mixed urban/rural high/medium deprivations). While benchmarking provides an opportunity to compare with others, WRAP provides an objective assessment and understanding of DBC performance and where improvements are required. When compared with the other North East authorities the amount of waste generated by each household annually from the three waste streams (residual, dry recycling and garden waste) the key findings for the borough are:
 - (a) The yield per household (annual tonnage) of residual waste from each property is the second lowest of all authorities;
 - (b) The yield per household from recycling and garden waste from each property is low which leads to lower recycling rates;
 - (c) Overall, the total waste yield from the three waste streams is the lowest in the North East and in bottom quartile of local authorities in the UK.
 - (d) For the overall recycling rate (kerbside collected material and HWRC material) for the North East authorities, DBC are slightly above average with a rate of 31.7% with the average being 30.2%. DBC is the fifth highest out of the 12 local authorities.
 - (e) When comparing the overall recycling rate (material collected at kerbside and from the HWRC), DBC performance against rurality group 4 and 5 is bottom quartile at 31.7% as opposed to the average of 42.2% (which for some authorities in the comparator group will include food waste). If performance is compared to dry recycling only collected at kerbside, then DBC's recycling rate of 20.1% is just below the average of 23.2%.
 - (f) Comparing authorities that have similar collection arrangements as DBC in rurality group 4 and 5, DBC have the lowest kerbside recycling rate.
48. The benchmarking data shows that Darlington has a low yield of household waste but overall below average recycling performance. A completed Waste Composition Analysis, summarised later in the report, has identified a significant amount of dry recycling in the residual waste stream. Using this analysis alongside the benchmarking information highlights the need and capacity to improve performance by maximising kerbside recycling.

Implications of the Act on existing Waste Management Services

49. We have assessed our current services against the requirements of the Act.
- (a) We do not have a food waste collection service. Therefore, a service will need to be designed and implemented.
 - (b) Our current dry recycling and garden waste service does meet the requirements of the Act. However, with the introduction of food waste to collect there are options that need to be considered that could impact on the current arrangements.
 - (c) We will need to review our commercial collection service. From March 2025, we will be able to offer residual waste and dry recycling to customers who are required to separate their waste to meet the Act. However, we will not collect separate food waste from March 2025 and will have to direct customer to other providers.

Waste Composition Analysis

50. To establish how much food waste is within residual waste and help inform the design of a new service, DBC commissioned a specialist company to provide a compositional analysis of residual waste collected within Darlington.
51. The survey took place over a four-day period in November / December 2023 with a total of 200 households selected for the analysis. To ensure representative samples and an accurate reflection across the borough was obtained, samples were collected from a range of households and locations based on a range of socio-demographic groups. 1,592 kg of waste was collected for analysis.
52. The key points from the report are as follows, which are shown as a percentage of the overall residual waste and kilograms per household per week (kg/hh/wk).

Food Waste

53. Food waste is classed into the following two categories:
- (a) Avoidable waste, i.e. food and drink thrown away that was, at some point prior to disposal, edible (e.g., slice of bread, apples, meat).
 - (b) Unavoidable waste, i.e. waste arising from food or drink preparation that is not, and has not been, edible under normal circumstances (e.g., meat bones, eggshells, pineapple skin, tea bags).
54. 34% of the waste collected for analysis was food waste, therefore applying the 34% to 2023/24 residual waste tonnage means there is approximately 7,595 tonnes of food waste in the residual waste stream.
- (a) 88.1% of food waste was classed as avoidable. This equates to around 6,691 tonnes per year.
 - (b) 11.9% of food waste was classed as unavoidable. This equates to around 904 tonnes per year.

- (c) Of all avoidable food waste being disposed of, an average of 52.3% was disposed of in its packaging. This equates to around 3,499 tonnes per year.

Existing Recyclable Materials within Residual Waste

55. In terms of the recyclable material found within residual waste:

- (a) Paper made up 7.5% of residual waste, of which 38% could have been recycled at kerbside using the current service.
- (b) Card and cardboard items made up 7.6% of residual waste, of which 77% could have been recycled at kerbside using the current service.
- (c) Plastic items made up 14.7% of residual waste, of which 23% could have been recycled at kerbside using the current service.
- (d) Metallic items made up 3.3% of residual waste, of which 73% could have been recycled at kerbside using the current service.
- (e) Glass items made up 2.9% of the residual waste, of which 83% could have been recycled at kerbside using the current service.

56. Therefore, approximately 3,775 tonnes of recyclable material is currently disposed of in the residual waste stream.

Garden Waste

57. 9.7% of residual waste was found to be garden vegetation, which could have been recycled through the garden waste collection service. This represents approximately 2,166 tonnes, which will be significantly higher in the growing season as the sample was carried out November/December 2023.

Developing a New Food Waste Collection Service

58. The approach taken to develop options for a new food waste collection service has been as follows.

- (a) A waste composition analysis has been undertaken to understand the composition of our residual waste in a range of socio-economic groups and to understand the volumes that will need to be collected and treated.
- (b) Engaged the services of the Waste and Resources Action Programme (WRAP) to ensure best practice and experience is built into the design process, including benchmarking and performance assessment of existing DBC arrangements.
- (c) Developed a proposal based on best practice and evidence, for a system to be rolled out to residents for collection of food wasted within their property.
- (d) Considered numerous options for the collection and transfer of the food waste from the property to the treatment facility, taking into account our requirement to collect residual waste, recycling and garden waste.

- (e) Considered the use of the food waste product once collected.
59. The project is complex and there are multiple aspects that must be progressed if the Council are to meet the statutory deadline. Some of the major elements of the project involve:
- (a) Establishing the funding levels to be provided by Government. The Council has been advised the level of transition funding will be announced by the end of this financial year and operational funding early in the next financial year 2025/26. Therefore, all authorities are progressing without full knowledge of funding. A decision will need to be taken without the level of funding being known to enable the project to progress towards the statutory timeline.
 - (b) Agreeing the in-property collection option so that procurement exercises can be designed and undertaken to establish costs and place orders for supply.
 - (c) Agreeing the collection and transfer option so that procurement exercises can be designed for vehicles and orders placed for their supply.
 - (d) Consideration of adapting or procuring new facilities for the additional fleet.
 - (e) Recruitment of staff to collect waste, maintain vehicles and manage new regulated systems.
 - (f) Staff training.
 - (g) Procurement exercise to manage and treat the food waste collected.
 - (h) Communications exercise and roll-out plan to improve recycling rates.

Proposals for the collection of food waste within residential properties

60. The Act requires food waste to be collected weekly and as such there must be a system for residents to collect and store food waste in the property. The food waste that will be collected from households will include:
- (a) All uneaten food and plate scrapings
 - (b) Dairy products
 - (c) Bread, cake, pastries
 - (d) Raw meat, cooked meat, bones
 - (e) Tea bags, ground coffee
 - (f) Raw and cooked vegetables, fruit and peelings
 - (g) Raw and cooked fish, fish bones
 - (h) Rice, pasta, beans
61. There are a significant number of local authorities that already collect food waste and WRAP have experience of best practice.
62. From the evidence gained from long-standing schemes, the system that produces the greatest yield of food waste provides each property with the following:
- (a) An internal kitchen caddie, 5L / 7L.

- (b) An external 23L bin to store waste once the internal caddie is full.
 - (c) The 23L external bin is then placed out to kerbside within curtilage of the property weekly for collection.
63. Food waste can be placed directly into the internal caddie then transferred to the external food waste bin when full. However, there is evidence that if a compostable liner is also provided for the internal caddie, then the amount of food waste generated increases. If liners are issued, we are advised there will be a higher yield of food waste and will be more convenient for residents to adopt food waste recycling.
64. It is therefore proposed to issue each household with a 5-7L internal caddie and a 23L external bin and for the first year of the scheme issue each household with 52 compostable liners at a cost of approximately £35,000.

Options for Food Waste Collection from the kerbside

65. The Council has operated waste collection services the same way with no major changes since 2015, when alternate weekly collections were introduced.
66. The Council must introduce a weekly food waste collection service. Therefore, a review of the collection arrangements has been undertaken to examine how food waste can be introduced to the collection system.
67. Several options were modelled to comply with the changes that were being proposed nationally in terms of both food waste and recycling. The options range from simply adding a separate food waste collection service to existing arrangements to taking the opportunity to consider a weekly dry recycling collection alongside weekly food waste. Options have also been modelled to reduce the capacity of the residual waste bin or reduce the frequency of collection. Changing the frequency of dry recycling to weekly is anticipated to increase the yield of material collected improving overall performance and changing capacity or frequency of residual waste collection will further improve performance.
68. Initially, a three-weekly residual waste collection scenario (Option 5) was not included in the modelled scenarios as this did not comply with the Government Policy. However, the policy has been amended and Communities and Local Services Scrutiny Committee were also keen to understand the modelled outcomes of a three-weekly residual waste collection option. Therefore, this option has been included.
69. The options presented vary by frequency and the way the vehicle is configured to collect the various waste streams.
- (a) **Option 1:** Same as existing collection arrangements, with the addition of a separate food waste collection service. A series of new rounds and vehicles that only collect food waste.
 - (b) **Option 2:** Residual waste collection fortnightly, dry recycling and food waste weekly utilising a kerbside manual sort vehicle that operatives will hand load from containers/bags, placing materials in separate compartments on the vehicle. This will require new containers and bags at properties.

- (c) **Option 3:** This involves a reduced residual waste capacity by replacing existing 240L bins with a 180L wheeled bin, which will be collected fortnightly. This will mean collecting and recycling the current bins and providing a new smaller bin. Dry recycling and food waste would be weekly in a similar vehicle to the existing recycling vehicle. Food waste would be collected in the front pod of the vehicle. In the split body back of the vehicle, paper and card would be collected in one side and then co-mingled glass, tins and plastic in the other side.
 - (d) **Option 4:** Residual waste collection fortnightly as existing with the same residual bins. Dry recycling and food waste would be weekly in a similar vehicle to the existing recycling vehicle. Food waste would be collected in the front pod of the vehicle. In the split body back of the vehicle, paper and card would be collected in one side and then co-mingled glass, tins and plastic in the other side.
 - (e) **Option 5:** reduces residual waste frequency to three-weekly with the same residual waste bins. Dry recycling and food waste would be weekly in a similar vehicle to the existing recycling vehicle. Food waste would be collected in the front pod of the vehicle. In the split body back of the vehicle, paper and card would be collected in one side and then co-mingled glass, tins and plastic in the other side.
70. Further detailed information and analysis for each option is provided later in this report.
71. The proposals above are to collect paper and card separate from other dry recycling and co-mingle glass, tins and plastics, which is in line with the latest government default position. However, this will be subject to the waste treatment contractor being able to accept the co-mingled waste for separation. If, in the short-term, mixing glass with other material is not practical for the treatment contractor, then a TEEP assessment will be carried out to collect paper and card with plastics and tins and glass separately. This change will not impact on the vehicle specification.
72. The Council's garden waste service would be unaffected by the proposal, and it should be noted that residents would still be able to recycle or dispose of waste at the Household Waste Recycling Centre (HWRC).
73. The national changes set out in the Act do not have an impact on the procurement process or required capacity of the Tees Valley Energy Recovery Facility (TV-ERF), where the Council will be sending its residual waste once the facility is built and operational - expected to be 2028/29. Detailed waste modelling was carried out as part of the business case process to ensure there was adequate capacity and that the plant was not oversized. That detailed modelling included the assumption that all seven councils would be doing all they could to maximise dry recycling and introducing a separate food waste collection service, thereby reducing the amount of residual waste needing to be treated.

Option Analysis and Financial Implications

74. **Table 2** compares the five modelled collection options against the existing collection service. The table shows the operational requirements and arrangements for each option including number of vehicles, staff, frequency and types of containers used.

Table 2

OPERATIONAL OPTIONS			
Option	Residual	Recycling	Food
<p>Existing baseline Refuse collection 5 vehicles, plus 2 spare. Recycling 6 vehicles, plus 2 spare 45 FTE, plus 1 team leader</p>	<p>Fortnightly</p>	<p>Fortnightly</p>	<p>N/A</p>
<p>Option 1 <i>Additional food collection service only</i></p> <p>Nine extra vehicles required: Seven rounds plus two spares. Additional 21x FTE Plus one additional team leader</p>	<p>Fortnightly</p> <p>As existing service</p>	<p>Fortnightly</p> <p>As existing service</p>	<p>New weekly service. Specific food waste vehicles and rounds.</p> <p>Containers 5-7L internal kitchen caddie and 23L external food waste bin.</p>
<p>Option 2 <i>Weekly dry recycling service including food waste in a kerbside sort vehicle</i></p> <p>Nine extra vehicles required over the existing fleet. Total of 15 rounds plus two spare: 17 vehicles. Additional 21x FTE Plus one additional team leader</p>	<p>Fortnightly</p> <p>As existing service</p>	<p>Weekly Recycling & Food Waste Kerbside sort vehicle for dry recycling & food waste at same time. Kerbside manual sort by operative to put waste into correct compartment.</p> <p>Containers: Dry recycling resident has existing box for glass, weighted sack paper and card and second weighted sack for tins and plastic. Existing 240L recycling wheeled bin and caddie to be collected and disposed of.</p> <p>Food Waste 5-7L internal kitchen caddie and 23L external food waste bin.</p>	

OPERATIONAL OPTIONS		
<p>Option 3 <i>Reduces residual waste capacity smaller bin weekly dry recycling including food waste in similar recycling vehicle as current</i></p> <p>Six extra vehicles required. Total of 12 rounds plus two spares: 14 vehicles 24 extra FTE Plus one additional team leader</p>	<p>Fortnightly</p> <p>As existing service with a smaller 180L wheeled bin.</p>	<p>Weekly Recycling & Food Waste Similar vehicle to existing recycling vehicles: front pod for food waste, split back body for paper and card on one side and co-mingled glass, tins and plastics in the other side.</p> <p>Containers: Dry Recycling Existing 240L recycling wheeled bin for co-mingled, glass, plastics and tins and existing internal caddie for paper and card. For approximately 7,000 terraced properties: bag for paper and card and existing boxes for tins, plastics and glass.</p> <p>Food Waste 5-7L internal kitchen caddie and 23L external food waste bin.</p>
<p>Option 4 <i>Weekly dry recycling, including food waste in similar recycling vehicle as current</i></p> <p>Six extra vehicles required. Total of 12 rounds, plus two spares: 14 vehicles 24 extra FTE Plus one additional team leader</p>	<p>Fortnightly</p> <p>As existing service with same size residual waste bin.</p>	<p>Weekly Recycling & Food Waste Similar vehicle to existing recycling vehicles: front pod for food waste, split back body paper and card on one side and co-mingled, glass, tins and plastics the other side.</p> <p>Containers Dry Recycling Existing 240L recycling wheeled bin for co-mingled, glass, plastics and tins and existing internal caddie for paper and card. For approximately 7000 terraced properties bag for paper and card and existing boxes for tins, plastics and glass.</p> <p>Food Waste 5-7L internal kitchen caddie and 23L external food waste bin.</p>
<p>Option 5 <i>Reduces residual waste frequency to three-weekly alongside weekly dry recycling including food waste in similar recycling vehicle as current.</i></p> <p>Six extra recycling vehicles required and reduction of one residual vehicle. Recycling Total of 12 rounds, plus two spares: 14 vehicles 24 extra FTE for recycling, less three for residual: total 21 extra FTE. Plus one additional team leader.</p>	<p>Three Weekly with existing same size residual waste bin.</p>	<p>Weekly Recycling & Food Waste Similar vehicle to existing recycling vehicles: front pod for food waste, split back body paper and card on one side and co-mingled glass, plastics and tins in the other side.</p> <p>Containers Dry Recycling Existing 240L recycling wheeled bin for co-mingled glass plastics and tins and existing internal caddie for paper and card. For approximately 7000 terraced properties bag for paper and card and existing boxes for tins, plastics and glass.</p> <p>Food Waste 5-7L internal kitchen caddie and 23L external food waste bin.</p>

75. The funding position for delivering this new requirement is complex. The government have stated that New Burdens funding will be provided to cover the capital cost, transitional costs and ongoing revenue costs associated with the legislation.
76. The government have calculated what they believe authorities will need in terms of capital and have announced Darlington will receive £1,182,778 to cover the cost of caddies, bins and vehicles. Based on the options analysis, this will not be sufficient to cover the cost of the vehicles, caddies and bins. This money is provided as a one-off grant and it is highly unlikely that there will be further funding when the vehicles and caddies need replacing. Any shortfall in New Burdens funding will add costs into the Council's MTFP. This has been raised with the relevant government departments and whether this can be challenged. A response to the Council's concerns has not been received at the time of writing this report.
77. The transitional funding to develop and implement the schemes and the ongoing revenue funding has yet to be announced. To meet the statutory deadlines set, councils have had to progress at their own cost and decide whether to commit to procurement. This leaves councils in the wholly unsatisfactory position that they are developing a scheme at cost and committing to it before they know whether the scheme is affordable within what government provide in terms of New Burdens or whether it will result in a pressure to council finances. It is now expected that the transitional funding will be announced at the end of this financial year and operational funding early in the next financial year 25/26. Any shortfall in New Burdens funding will add costs into the Council's MTFP. This will be assessed when the funding is released and if not deemed sufficient the Council will decide whether this will be challenged with Government.
78. **Table 3** below shows the estimated annual revenue collection costs of each option including costs for vehicles, employees and associated costs, containers disposal and income from recycling and garden waste. The lower section of the table sets out a number of one-off project transitional costs.
79. Financial models for each option have been built from estimated costs associated with vehicles, staffing, containers disposal and income. These will need to be confirmed through procurement processes and as such a contingency will be considered as part of the project costs. All councils are progressing on the same timescale, and this will put pressure on the market and supply chains. This may drive up prices and the availability of products and resources and has been highlighted as a significant risk to government departments. A phased introduction was suggested to government rather than a 'big bang' on the same date for everyone and we are seeking clarification from the new UK government that this remains the case.
80. All options require a significant increase in the waste fleet and staffing. There is not enough space to park the additional fleet vehicles at the depot. Therefore, the project will need to investigate options to extend if possible, reconfiguring the parking arrangements, reducing staff parking significantly or look to acquire additional parking at an alternative site. The increased fleet will also require the creation of an additional pit within the fitting shop with an indicative budget estimated one-off cost of £100,000.
81. As part of the roll out of the changes to waste collection, there is a need to have a communication and engagement programme to maximise the take up of the new services regardless of which option members agree to implement. This will include employment of temporary staff to engage with residents as well as other communication and marketing activities, for which an indicative budget of £120,000 is estimated. In addition, there will

be project management and administration costs associated with the roll out at an indicative estimated budget of £50,000. Therefore, there will be a one-off cost of £170,000 to implement the changes. As part of the New Burdens transitional funding, an allocation will be provided. However, at the time of writing the report, the level and of this funding is unknown. For modelling purposes, best estimates have been used for both the transitional and delivery new burdens funding.

82. In addition to the above, there is the potential of a final payment to make on the existing eight recycling vehicles of £421,000 in 2026/27 depending on which option is finally chosen. Only Option 1 uses the existing recycling fleet, therefore if any of the other options are taken forward the existing recycling vehicles would not be required, and the final payment would still be due. The vehicles would be sold but it is highly unlikely they would generate anywhere near the £421,000. Any deficit in income received from the sale of the vehicles will be a one-off cost.
83. Through New Burdens funding, the government have already allocated DBC £1,182,778 to cover the cost of caddies, bins and vehicles as a one-off Grant and does not account for future replacements. The costing undertaken identifies that the funding is not enough for the outright purchase of any of the options.
84. The funding model is based on estimated annual operational costs, taking into account current market information and funding assumptions.

Table 3

Project Cost Overview						
Option 1 - Additional food collection service only						
Option 2 - Weekly dry recycling service including food waste in a kerbside sort vehicle						
Option 3 - Reduces residual waste capacity (smaller residual bin) weekly dry recycling including food waste in similar recycling vehicle as current						
Option 4 - Weekly dry recycling (uses current residual bin) including food waste in similar recycling vehicle as current						
Option 5 - Reduces residual waste frequency to three-weekly alongside weekly dry recycling including food waste in similar recycling vehicle as current						
Projected Operational Costs (Annual)						
Description of Expenditure	Existing	Option 1	Option 2	Option 3	Option 4	Option 5
	£	£	£	£	£	£
Vehicle Costs	1,242,000	1,478,625	1,785,000	1,740,000	1,740,000	1,670,000
Employee costs including cover PPE, Training and consumables.	2,097,156	3,081,707	3,060,855	3,173,214	3,173,214	3,034,790
Collection containers – replacements and new requirements	103,034	154,335	215,059	225,175	128,161	128,854
Waste disposal costs	2,461,415	2,152,714	2,108,246	1,956,395	2,089,636	1,926,275
Income from recycled material and garden waste service	-613,618	-613,618	-707,028	-710,287	-623,416	-710,287
Total Costs	5,289,987	6,253,763	6,462,132	6,384,497	6,507,595	6,049,632
Difference		+963,776	+1,172,145	+1,094,510	+1,217,608	+759,645

Note: The above figures show annualised costs for comparison purposes and do not include the Capital Grant provided by Government.

Project Transition Costs (One-Off. Transitional Costs)						
	Existing	Option 1	Option 2	Option 3	Option 4	Option 5
		£	£	£	£	£
Project Management Support to deliver transition		50,000	50,000	50,000	50,000	50,000
Communication and Engagement Plan		120,000	120,000	120,000	120,000	120,000
Additional Pit within fitting shop to service additional vehicles		100,000	100,000	100,000	100,000	100,000
Depot Space costs to park additional fleet.		250,000	250,000	250,000	250,000	250,000
Collection and disposal of existing bins option 2 recycling bin option 3 waste bin		Nil	TBD Estimated 250,000	TBD Estimated 250,000	Nil	Nil
Fleet costs (Final payment of eight recycling vehicles option 2,3,4)		Nil	421,000 (Max.)	421,000 (Max.)	421,000 (Max.)	421,000 (Max.)
Contingency		300,000	300,000	300,000	300,000	300,000
TOTAL		820,000	1,491,000	1,491,000	1,241,000	1,241,000

85. **Table 4** compares the projected kerbside recycling rate from the material collected at kerbside dry recycling, garden waste and food waste for the various options. All options demonstrate a projected increased recycling performance compared to the existing arrangements.
86. Carbon performance is also compared in **Table 4**, this is a very high-level comparator carried out by WRAP based on their carbon waste and recycling metric (Carbon WARM). Carbon WARM applies a set of conversion factors to enable users to express waste management tonnage data in terms of its greenhouse gas emissions measure as carbon dioxide equivalent. This is a high-level assessment and assumes the treatment of residual waste is through the new TV-ERF.

Table 4

Option	Kerbside Recycling rates	Carbon Impact of Operations / tonnes of CO ₂ per annum
Baseline	24.8%	2,197
Option 1	35.2%	2,067
Option 2	40.3%	730
Option 3	40.7%	1,134
Option 4	37.9%	1,346
Option 5	41.7%	1,272
<u>Description of Options</u>		
Option 1 - Additional food collection service only		
Option 2 - Weekly dry recycling service including food waste in a kerbside sort vehicle		
Option 3 - Reduces residual waste capacity (smaller residual bin), weekly dry recycling including food waste in similar recycling vehicle as current		
Option 4 - weekly dry recycling (uses current residual bin) including food waste in similar recycling vehicle as current		
Option 5 - Reduces residual waste collection frequency to three-weekly, dry recycling including food waste in similar recycling vehicle as current collected weekly		

87. **Table 5** sets out the “pros and cons” of the four options, considering the costs, performance and operation for both residents and staff.

Table 5	Pros	Cons
<p>Option 1</p> <p>Additional food collection service only</p>	<ul style="list-style-type: none"> • No change to refuse collection (collection points) • No need to change existing recycling vehicles. • New vehicles, purpose-built for food waste. • Simplest to implement and manage • Operators can focus on one collection - food waste only • Minimal change for residents • Greater flexibility to maximise efficiency of food waste collection service as independent of other services. • No impact on dry recycling and residual waste collection services • Lowest financial impact 	<ul style="list-style-type: none"> • Need to buy a separate fleet of food waste-only vehicles • Not maximising the opportunity to re-model the service and improve recycling • Dry recycling remains fortnightly, whilst food waste weekly • Less incentive for residents to change behaviour and recycle more • Lowest recycling rate of the four options • Highest carbon impact on the environment of the four options • Potentially an additional, different day for food waste collection for residents to existing collection day
<p>Option 2</p> <p>Weekly dry recycling service including food waste in a kerbside sort vehicle</p>	<ul style="list-style-type: none"> • One vehicle collects all recycling & food waste in one pass • No change to refuse collection (collection points) • Weekly recycling service - step change in waste collection and encourages behavioural change increase recycling • Materials are kerbside sorted and put into individual stillages on vehicle; better-quality recycling material and higher value • Less contamination due to hand sorting and visibility of material for operative obtained • Second highest recycling rate of all four options • Lowest carbon impact on the environment of the four options due to increased recycling less residual waste and reduced cost for waste treatment • Reduced collection days for residents as all recycling and food waste collected together • May help with OFLOG monitoring as recycling performance a metric about general Council performance 	<ul style="list-style-type: none"> • More demands on residents for additional containers • Will need to issue new containers / reuseable bags to majority of properties • Need to collect and dispose of all existing recycling wheeled bins from residents which may lead to adverse publicity • Will need to replace existing recycling vehicles one year early at significant cost • Increased manual handling at kerbside by operators to sort material into individual compartments which cannot be designed out and will lead to increased muscular skeletal injuries. • Slower operation due to hand sorting of materials by operative at kerbside therefore more rounds required • Residents require more bags and boxes at property to store for separate waste streams • Third highest cost option

Table 5	Pros	Cons
<p>Option 3</p> <p>Reduces residual waste capacity (smaller residual bin) weekly dry recycling including food waste in similar recycling vehicle as current</p>	<ul style="list-style-type: none"> • No changes for the resident for dry recycling apart from food waste added to recycling service and available weekly • Dry recycling and food waste in one pass and one vehicle • No change to refuse collection (collection points) • Weekly recycling service - step change in waste collection and encourages behavioural change to recycle more • Highest recycling rate of all four options • Second-lowest option for carbon impact on the environment • Will increase garden waste service take up because of less residual waste capacity; increasing composting rate • May help with OFLOG monitoring as recycling performance is a metric about general Council performance • Reduced treatment costs as less residual waste to treat at more expensive gate fee 	<ul style="list-style-type: none"> • Recycling materials may be of poorer quality than Option 2 due to co-mingled and therefore less valuable • Resistance of residents to reduced residual waste capacity • Residents may use additional capacity in weekly recycling bin for residual waste therefore potentially higher levels of contamination than other weekly options • Cost of replacement wheeled bins • Will need to replace existing recycling vehicles a year early at significant cost • Costs to collect and dispose of existing 240L bins which may lead to adverse publicity
<p>Option 4</p> <p>Weekly dry recycling (uses current residual bin) including food waste in similar recycling vehicle as current</p>	<ul style="list-style-type: none"> • No changes for the resident for dry recycling, apart from food waste added to recycling service and available weekly • One vehicle collects dry recycling & food waste in one pass • Weekly recycling service demonstrates step change in waste collection and encourages behavioural change to recycle more • No change to refuse collection (collection points) • Increased recycling rate as from weekly collection service • May help with OFLOG monitoring as recycling performance a metric about general Council performance • Due to increased recycling less residual waste therefore reduced cost for treatment 	<ul style="list-style-type: none"> • Recycling materials may be of poorer quality than Option 2 due to co-mingled and therefore less valuable • Of the weekly collection options considered this option is the poorest performing in terms of recycling rate and carbon impact and the most expensive. • Will need to replace existing recycling vehicles a year early at significant cost • Residents may use additional capacity in weekly recycling bin for residual waste therefore higher levels of contamination than Option 2

Table 5	Pros	Cons
<p>Option 5</p> <p>Reduces frequency of residual waste to three-weekly (uses current residual bin) Weekly dry recycling, including food waste in similar recycling vehicle as current</p>	<ul style="list-style-type: none"> • One vehicle collects dry recycling & food waste in one pass • Weekly recycling service demonstrates step change in waste collection and encourages behavioural change to recycle more • Increased recycling rate as from weekly collection service • May help with OFLOG monitoring as recycling performance a metric about general Council performance. • Due to increased recycling less residual waste therefore reduced cost for treatment • Highest recycling rate of all five options • Moving to three-weekly residual collection will drive behaviour change with a focus on recycling • Lowest cost option • Could help maintain EPR payments at maximum levels 	<ul style="list-style-type: none"> • Potential issues and concerns to consider from residents to reduced residual waste frequency • Residents may use additional capacity in weekly recycling bin for residual waste therefore potentially higher levels of contamination than other weekly options • Will need to replace existing recycling vehicles a year early at significant cost. • Both collections will change at the same time recycling and residual will take time for residents to get used to.

Treatment and Use of Material

88. The final aspect of the project is how the collected material will be treated. The food waste will need to be delivered to a treatment facility.
89. 11 of the 12 North East local authorities carried out a feasibility study on availability of treatment facilities and the capacity in the North East in September 2022. The outcome of that study identified there was adequate treatment capacity in the North East and adequate land available to spread the digestate within acceptable distances from the treatment facilities.
90. Subject to approval, a procurement exercise will commence later this year either with the other Tees Valley Authorities or as standalone DBC contract. There are local facilities that will be able to receive the food waste directly from the collection vehicle without the need to drop off and bulk up at a transfer station, which would be required if there was significant traveling required from Darlington to the treatment plant. It is anticipated there will be a saving in the cost per tonne through the new food waste contract as opposed to the existing residual waste treatment costs. These savings have been factored into the financial model.
91. As part of the treatment process, gas will be produced that will go into the grid network. The waste output from the treatment process is a digestate that would be to the required standard PAS 110, which can then be spread onto farmland.

Key Risks, Issues & Conclusions

92. There are a number of risks and issues outlined in this section of the report and these inform considerations of a recommended way forward.
93. The feasibility work to date suggests the capital allocation from government would appear not to be enough to cover the entire cost of any option presented. The transitional and operational funding may also be inadequate to cover all the costs.
94. Decisions on the project have been delayed in anticipation of having more information on New Burdens funding to make more informed decisions. However, Government have confirmed the timetable for funding announcements and as such decisions do need to be taken to progress with the project if there is any chance of delivering by the deadline. The Council have alerted Government that the deadlines are extremely tight given the uncertainty on funding and will undertake best endeavours to ensure food waste collections are in place by April 2026 or as soon as possible thereafter.
95. The availability of vehicle and containers may be limited due to the number of councils implementing food waste at the same time and therefore there could be significant lead-times that impact on the programme.
96. There are significant aspects of the project in relation to the physical infrastructure, communications and recruitment that need to be progressed and developed that will require additional project management support.

97. The intention of the Environment Act 2021 is to improve recycling performance and the impact on the environment. The late changes in guidance and legislation that allows authorities to consider the frequency of residual waste collections does have an impact on possible options in terms of costs and recycling performance. This could also have an impact on EPR payments to the Council if and when the regulator starts considering the Councils performance and future EPR payments.
98. Further investigation of **Option 2** has highlighted operational concerns that should be considered. The process builds in increased manual handling by operators, which will lead to increased muscular skeletal injuries. Therefore, this option is being discounted by officers. This effectively leaves two options in principle: -
- (a) The addition of a separate food waste collection service with a series of new rounds and vehicles that only collect food waste (**Option 1**).
 - (b) The introduction of weekly recycling opportunities alongside a food waste collection service (**Option 3,4 or 5**).
99. Options 3, 4 and 5 provide better opportunities and flexibility to improve recycling rates and the carbon impact of the service in the future. Therefore, it is recommended Option 1 be discounted.
100. The timetable to introduce food waste collections is incredibly challenging given the delays already encountered. Option 4 is the simplest to introduce given there is no requirement to purchase and change all bins or consider changes to residual waste frequencies and the associated consultation. Whilst it is initially the most expensive option, it is recommended Option 4 be progressed to ensure the food waste service can be introduced as quickly as possible and residents are able to get used to food waste collections without any further changes to arrangements. Officers will then review the performance of food waste and recycling rates and continue to investigate options 3 and 5 with a view to bringing future reports and phases of waste management and recycling performance improvements.

Procurement Advice

101. Procurement activity will be carried out in line with the Council's Contract Procedure Rules and current Procurement Legislation.
102. Where possible collaborative procurement exercises will be carried out across the region and pre-existing Frameworks will be utilised.

Financial Implications

103. **Table 6** below summarises the financial impact on the MTFP of both the implementation and future years.

Table 6

Financial Summary - implementation year					
Description of Expenditure	Option 1	Option 2	Option 3	Option 4	Option 5
	£	£	£	£	£
Existing budget	5,289,987	5,289,987	5,289,987	5,289,987	5,289,987
Projected operational costs	6,253,763	6,462,132	6,384,497	6,507,595	6,049,632
Projected transitional costs	820,000	1,491,000	1,491,000	1,241,000	1,241,000
Food bin liners	35,000	35,000	35,000	35,000	35,000
Variance	1,818,776	2,698,145	2,620,510	2,493,608	2,035,645
Capital funding	1,182,773	1,182,773	1,182,773	1,182,773	1,182,773
Estimated Transitional funding	300,000	300,000	300,000	300,000	300,000
Estimated Operational funding	700,000	700,000	700,000	700,000	700,000
Surplus/Gap	363,997	515,372	437,737	310,835	147,128
Financial Summary - future years					
Description of Expenditure	Option 1	Option 2	Option 3	Option 4	Option 5
	£	£	£	£	£
Existing budget	5,289,987	5,289,987	5,289,987	5,289,987	5,289,987
Projected operational costs	6,253,763	6,462,132	6,384,497	6,507,595	6,049,632
Variance	963,776	1,172,145	1,094,510	1,217,608	759,645
Estimated Operational funding	700,000	700,000	700,000	700,000	700,000
Surplus/Gap	263,776	472,145	394,510	517,608	59,645

104. As can be seen for Option 4, the recommended option, there is a £310,835 anticipated gap in funding in the transition year and £517,608 when fully operational.

As noted above the Council has been allocated EPR funding to assist with waste collection and disposal costs. This funding is not ringfenced and can be utilised to meet the funding gap.

Consultation

105. No public consultation has taken place around this report as there is a statutory duty to introduce food waste collection from March 2026. A detailed communications plan will be developed to inform residents of changes to waste collection services once agreed.

106. The Communities and Local Services Scrutiny Committee considered this report on 24 October 2024. There was a lengthy debate with a number of proposals including moving to a three weekly residual waste collection, which has now been included in the modelling as Option 5 in this report. Following debate and discussion, members of Scrutiny agreed to the following for Cabinet to consider: *“...the majority view of this Scrutiny Committee supports Option 3 with the recommendation of a 1-year limit supply of bin liners, and that the option for three weekly refuse collections be explored.”*