

Bolsover District Council

Meeting of Council on 22nd May 2024

Weekly Collection of Food Waste Capital Expenditure

Report of the Portfolio Holder for Environment

Classification	This report is public.
Contact Officer	Steve Brunt (Strategic Director of Services)

PURPOSE/SUMMARY OF REPORT

- For Council to approve acceptance of new burdens capital grant funding, received from Defra, for the introduction of weekly food waste collection arrangements.
- To request Council approval of capital funding for the purchase of vehicles and containers to meet the Council’s new weekly food waste collection duty.

REPORT DETAILS

1. Background

- 1.1 From the 1st of April 2026, the Council will have need to undertake weekly collection of food waste from all domestic households. This must be kept separate from waste collected in black (residual), burgundy (dry mixed recycling) and green (garden) bins.
- 1.2 The Department for Environment, Food and Rural Affairs (Defra) have awarded new burdens funding to the Council, as follows:

Kitchen caddies	Kerbside caddies	Communal wheeled bins	Vehicles	Total
£0	£180,154	£8,254	£511,500	£699,908

- 1.3 Government engaged the Waste and Resources Action Programme (WRAP) to set up a formula for how much to compensate each local authority to help them pay for new equipment and vehicles. This is to meet new burdens capital expenditure and based on WRAP’s cost assumptions:
- £2 per kitchen caddy, plus spares (excluding bin delivery costs).
 - £4.60 for each kerbside caddy, plus spares (excluding bin delivery costs).
 - £65 for a communal bin with locking mechanism (excluding delivery costs).
 - £93,000 for each 7.5 tonne collection vehicle. The value is increased to include spares, working out at £100,000 (approximately) per vehicle.

- 1.4 Based on the above, we can deduce that WRAP have assumed our need to buy extra resources is:

Kitchen caddies	Kerbside caddies	Communal wheeled bins	Vehicles
0	39,164	125	5.12 to 5.5
<i>Note: Whilst Defra inform (item 1.3) of there resource allocation assumptions, they have not informed their method of measurement in calculating vehicles numbers, which is below that estimated by Streetscene Waste Services Team.</i>			

- 1.5 The Council's Streetscene (Waste Services) Team do not consider these assumptions to be sufficient and have sent a funding review request to Defra. Based on the Council's current waste collection system operating model, 6 teams (vehicles) with 1 relief vehicle are needed. Also, due to the Council's collection day working hours duration being 9.25hours, whereas the majority of other LA's being 7.5hours; thus, Bolsover's requirements not 7.5 tonne but 11 tonne vehicles, hence capital value being greater than £100k per vehicle and reflecting the funding review request sent to Defra setting out Bolsover's monetary requirements as:

Kitchen caddies	Kerbside caddies	Communal wheeled bins	Vehicles	Total Funding
£0	£180,154	£8,254	£833,000	£1,021,408

- 1.6 The submission includes resource requirements for Bolsover as:

Kitchen caddies	Kerbside caddies	Communal wheeled bins	Vehicles
0	39,164	125	7

- 1.7 The Council's assessment of the number of vehicles needed, takes account of Bolsover's urban\rurality (60\40) profile with collections are undertaken across a total District area of 15,982 hectares and based on modelling a household participation rate of 65%, requiring 6 vehicles (teams) plus 1 relief to meet the new separate weekly food waste food collection duty.
- 1.8 If further takes into consideration maximising available working time within the waste services team established 4-day (9.25hour) compressed 37hour working week; in particular, utilising 11 tonne (G.V.W) vehicles rather than 7.5 tonne, so to contain daily work\payload on 1 delivery to the waste disposal\transfer point, reflecting capital cost of vehicles being £119,000 rather than £100,000 assumed by Defra.
- 1.9 Currently, approximately 125 Councils collect food waste separately out of a total of 376. It is therefore reasonable to predict that the increased demand caused by the remaining Councils introducing separate food collections, will place significant demand on vehicle and bin manufacturers. This may cause increased supply costs and extended delivery lead times, presenting an increased risk of not meeting a 1st of April 2026 implementation date.

- 1.10 Given the delivery lead time for new vehicles currently extends to 12 months (approx.) and increased demand may extend this further, procurement of the vehicles needs to take place at the earliest opportunity, to better ensure manufacturing build slots are secured, to achieve delivery ahead of the 1st of April 2026 implementation date. Similarly, as will procurement of containers (kerbside caddies) as they will need to be delivered and installed to all Bolsover households prior to implementation of weekly food waste collections.
- 1.11 New burden capital funding for waste containers makes no allowance for their delivery/distribution, as Defra consider this to be a revenue cost. Therefore, Streetscene (Waste Services) anticipate distribution of containers taking place utilising internal staff during the green bin suspension period of November 2025 to March 2026. Therefore, if kerbside caddies are not procured ahead of this, the window of opportunity will be missed and the need to employ an external resource, incurring further costs of £1.75 (approx.) per household (£68,250 approx.).
- 1.12 Regardless of the Defra new burdens funding allocated, capital cost to the Council of implementing this duty is estimated to be £1,021,408, as set out at paragraph 1.5. Therefore, to ensure we are able to implement weekly food waste collections by the 1st of April 2026, Council is asked to approve a budget for the full cost of meeting the new duty consisting of £699,908 guaranteed funding awarded, leaving a funding need of £321,500 from the Council, summarised as follows:

BDC estimated cost of implementation	£1,021,408
Initial Defra capital new burdens funding amount	£699,908
Shortfall in Defra funding to potentially be funded by the Council	£321,500

- 1.13 As discussed (item 1.5) the waste services team have submitted a funding review request to Defra, as have other local authorities, and this will be pursued with the intention of receiving external grant to cover 100% of the cost. However, there is a possibility that the extra cost will have to be stood by the Council.
- 1.14 Council approval is sought for a capital budget to allow the procurement of vehicles and containers to begin at once, to ensure we meet the new duty of weekly food waste collections by the deadline.

Resource	Government Funding	Current Shortfall	Total
Vehicles	£511,500	£321,500	£833,000
Containers	£188,408	£0	£188,408
Total	£699,908	£321,500	£1,021,408

2. Reasons for Recommendation

- 2.1 To ensure the prompt procurement of vehicles and waste containers to allow us to meet the deadline of introducing separate weekly food waste collections by not later than 1st of April 2026.

3 Alternative Options and Reasons for Rejection

- 3.1 Not implementing the food waste weekly collection is not an option open to the Council as it has a legal duty to undertake collections from not later than 1st April 2026.
- 3.2 One alternative option would be to operate collections using the smaller vehicles (7.5tonne) which would result in more journeys to the waste disposal point incurring increased non-productive travel time and reduce number of properties serviced within each working day. Also, the number of vehicles (5.5) assumed by DEFRA is insufficient to meet the Council's weekly food waste collection service demand.
- 3.3 Defra have given no indication as to the timescale in reviewing LA funding allocations, therefore postponing the decision until the outcome of the review request is not seen as an alternative because of anticipated increased delivery lead times and the chance that late delivery of the containers may mean the green bin suspension period is missed and extra costs to deliver them is incurred.

RECOMMENDATION(S)

1. That Council approve a budget be added to the capital programme of £1,021,408. That this be funded from external grant of £699,908 as a minimum, with £321,500 funded by the Council from available capital resources, including prudential borrowing, if the outcome of the Defra review request is unfavourable.

Approved by Councillor Anne Clarke, Portfolio Holder for the Environment.

IMPLICATIONS.

Finance and Risk: Yes No

Details: Financial implications are covered throughout the report for capital costs. There is a risk the Council will have to fund £321,500 from borrowing, which will incur interest costs. Once the outcome of the Defra review is known, other funding sources such as the Transformation reserve will be considered and reported to Members.

This report covers the purchase of the initial vehicles which will need replacing at the end of their useful lives, this will be an extra cost to the Council in approximately 7 years which will need adding to the Council's vehicle replacement programme for inclusion in the planned capital programme.

This report does not take into account the revenue costs of implementing this duty, which will be an additional cost to the Council's general fund from the 1st of April 2026, and will need to be included in the next Medium-Term Financial Plan. It is not yet known the New Burdens funding amount Defra will provide to cover this expenditure.

On behalf of the Section 151 Officer

Legal (including Data Protection): Yes No

Details: For the procurement of the vehicles, we will use the Nottinghamshire Consortia Framework Agreement for refuse collection vehicles, which meets public procurement requirements.

Section 57 of [The Environment Act 2021](#) (Separation of Waste) amends the Environmental Protection Act 1990 (s45A) in regard of Waste Collection Authorities duties and inserts new Sections 45AZA to 45AZG, setting out Government's 'Simpler Recycling' arrangements and the new duty of separate weekly food waste collection.

On behalf of the Solicitor to the Council

Environment: Yes No

Details: Vehicle replacements proposed herein will be diesel (combustion) engine powered and meet current Euro6 emission standards and qualify to run on 100% biodiesel, offering increased approximately 80% reduced exhaust emissions. Introduction of weekly food waste collections presents opportunity for the Council to increase its combined recycling rate from 40% to 52% (approx.) was it to achieve a 50% diversion of putrescible (organic) waste from the black bin (residual) waste stream.

Staffing: Yes No

Details: None arising from this report.

On behalf of the Head of Paid Service

DECISION INFORMATION

Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards, or which results in income or expenditure to the Council above the following thresholds: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> <input checked="" type="checkbox"/> <i>Please indicate which threshold applies.</i>	No
Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)	No

District Wards Significantly Affected	All Wards
Consultation: Leader / Deputy Leader <input type="checkbox"/> Executive <input type="checkbox"/> SLT <input type="checkbox"/> Relevant Service Manager <input type="checkbox"/> Members <input checked="" type="checkbox"/> Public <input type="checkbox"/> Other <input type="checkbox"/>	<u>Details:</u> N/a

Links to Council Ambition: Customers, Economy, and Environment.
Customers – Improving health, safety, wellbeing and access to services. Environment – collection of waste, increasing recycling, reducing landfill disposal and carbon emissions.

DOCUMENT INFORMATION	
Appendix	Title
N/A	

Background Papers
<i>(These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Executive you must provide copies of the background papers).</i>
None