

# REPORT FOR DECISION



<b>DECISION OF:</b>	<b>CABINET</b>
<b>DATE:</b>	<b>16 JULY 2014</b>
<b>SUBJECT:</b>	<b>BURY COUNCIL – ZERO WASTE STRATEGY AND SUSTAINABLE WASTE COLLECTION SERVICE</b>
<b>REPORT FROM:</b>	<b>COUNCILLOR T. ISHERWOOD CABINET MEMBER – ENVIRONMENT</b>
<b>CONTACT OFFICERS:</b>	<b>NEIL S LONG – ASSISTANT DIRECTOR (OPERATIONS) GLENN STUART – HEAD OF WASTE MANAGEMENT</b>
<b>TYPE OF DECISION:</b>	<b>Cabinet (KEY DECISION)</b>
<b>FREEDOM OF INFORMATION/STATUS:</b>	<b>This paper is within the public domain</b>
<b>SUMMARY:</b>	<p>This report proposes a Zero Waste Strategy. This has been developed to complement the Greater Manchester Waste Disposal Authority's (GMWDA) Waste Management Strategy, protect the environment, cut back on the amount of waste generated and sharply increase recycling rates. The Strategy details the current position in Bury, the options available for the future and 10 strategic objectives to support the delivery of Bury Council's recycling targets.</p> <p>The Council has to consider all options to increase recycling and the proposals in this report focus on 3 of the 10 strategic objectives:</p> <ul style="list-style-type: none"><li>• waste prevention;</li><li>• following the Waste Hierarchy; and</li><li>• education and awareness.</li></ul> <p>This report also sets out options for a new waste collection system for implementation from October 2014. The focus of the new collection system would be to make the necessary operational changes to support residents with maximising recycling and minimising the amount of waste requiring treatment and disposal.</p>

<p><b>OPTIONS &amp; RECOMMENDED OPTION</b></p>	<p><b>Option 1</b> To approve and adopt Bury Council's – Zero Waste Strategy, including the 10 strategic objectives.</p> <p>To approve the proposed changes to the waste collection service.</p> <p>To approve an invest to save initiative to include a capital spend of up to £213,400 and one-off implementation costs of £189,700 to introduce the changes. These costs, ultimately will be self-financing, but initially are to be funded from loan and reserves as detailed in section 4 of the report.</p> <p><b>Option 2</b> Do nothing. In doing nothing, the Council would not achieve recycling targets, efficiency savings or other strategic objectives and costs associated with treatment and disposal of waste will continue to rise.</p> <p><b>Recommended Option</b> Option 1 is recommended to provide a sustainable solution to increasing recycling, cutting back on waste and improving education and awareness.</p>
<p><b>IMPLICATIONS:</b></p>	
<p><b>Corporate Aims/Policy Framework:</b></p>	<p>Do the proposals accord with the Policy Framework?           Yes</p>
<p><b>Statement by the S151 Officer: Financial Implications and Risk Considerations:</b></p>	<p>Risks associated with the proposals are outlined in section 7 of the report. A comprehensive risk register will be developed and maintained throughout the planning and implementation phases of the changes.</p> <p>Recycling rates will continue to be closely monitored and considered when budgets are set for future years.</p>
<p><b>Health and Safety Implications</b></p>	<p>New waste collection rounds will be designed based on experience and knowledge of the Borough, taking on board health and safety requirements of the service.</p> <p>Issues such as people with medical conditions, families using disposable nappies, and larger families will be included in the risk register and households with special circumstances may be able to apply for additional residual capacity.</p>
<p><b>Statement by Executive Director of Resources (including Health and Safety Implications)</b></p>	<p>The proposed changes to the waste management system could see recycling increase from 47.6% to at least 56% and realise significant savings towards overall budget cuts estimated to be £32m over the next 2 years.</p>
<p><b>Equality/Diversity</b></p>	<p><b>No</b> – No specific group will be disadvantaged</p>

<b>implications:</b>	from this proposal – See section 8.0 below
<b>Considered by Monitoring Officer:</b>	The preferred option would ensure compliance with the European Waste Framework Directive recycling targets. It is important that the Strategy and options are considered with due regard to the Council’s equalities duty. A full impact assessment has been undertaken to accompany this report.
<b>Wards Affected:</b>	<b>All</b>
<b>Scrutiny Interest:</b>	<b>Internal Scrutiny</b>

**TRACKING/PROCESS**

**DIRECTOR: Executive Directors DCN/DCW**

Chief Executive/ Strategic Leadership Team	Cabinet Member/Chair	Ward Members	Specific User Groups
Briefing and consider Strategy/Business Case	Briefing and consider Strategy/Business Case	Briefing/Distribute information	Briefings July/August
Workforce	Internal Scrutiny	Cabinet	Council
09.07.14		16.07.14	

**1.0 BACKGROUND**

1.1 The Greater Manchester Waste Disposal Authority and its nine partners, including the Council, have formulated a Municipal Waste Management Strategy based on joint working that identifies the need for a waste management system driven by waste minimisation and a commitment to maximising the recycling and composting of waste.

The recycling rate for waste collected from households is approximately 47% for 2013/14. The largest increase in recycling came with the launch of the managed weekly collection service launched in October 2011. The recycling rate went up from **29.4%** to **47.6%**. This is now the third highest rate in Greater Manchester. However we recognise that we can, and must do better. Recycling is good for the environment as less waste requires treatment and disposal. It also makes sound financial sense and has already saved the Council **£2.54 million** over the last 3 years.

Introducing the managed weekly collection service increased the scope of materials to be collected to include food waste and at the same time an improved container in the form of a green wheeled bin for paper and card collections was provided. This meant that households now had 4 different coloured bins to allow more recyclables to be stored over a longer period (4 weeks).

As a result, households now have all the recycling bins that they require, in line with the 4 waste streams required by the 25 year GMWDA PFI contract. The challenge now is to encourage more residents to recycle and educate all residents to recycle more effectively

- 1.2 The Council currently spends **£10.2 million** annually on the treatment and disposal of residual waste, out of a total waste levy of £13.3m. Data shows, however, that approximately **75%** of household waste could be recycled. The Council's aim in introducing this Strategy is to increase recycling to 60% or more by March 2016. Every 1% rise in recycling rates for waste collected from households saves the Council up to **£130,000**.

## **2.0 Bury Council - Zero Waste Strategy**

- 2.1 The European, National and Sub-Regional policy focus has moved away from simply sending waste that isn't recycled to landfill, to a more ambitious aim of managing waste as a resource to enable a move to a zero waste, resource efficient society. These are also very challenging times for the whole economy, including Councils who have faced significant financial cuts. The aim of this Strategy is to find new and innovative ways to cut back on waste, putting it to better use, without increasing overall costs. There is a significant cost of doing nothing as treatment and disposal costs continue to rise, and there is therefore a need to treat waste as a resource rather than a problem. This approach is widely recognised as good practice within the waste industry.

The most effective way to drive increased recycling is through behaviour change. To support this the proposed Strategy is based on providing information and guidance, ongoing education of householders on how to recycle more efficiently and on restricting capacity for waste that can't be recycled.

The Bury Council Zero Waste Strategy has been developed to sharply increase recycling rates. It sets out the current position in Bury and details of the options available for the future. The Strategy also supports the aims and objectives of the Greater Manchester Waste Disposal Authority (GMWDA) Waste Management Strategy, jointly agreed by the nine Waste Collection Authorities of Bolton, Bury, Manchester, Oldham, Rochdale, Salford, Stockport, Tameside and Trafford.

The aim of the Bury Strategy is to:

- Recycle **55-60%** by March 2015;
- Recycle **60%+** by March 2016;
- Reduce disposal costs by cutting the amount of waste going to landfill;
- Support the Greater Manchester Strategy on reducing carbon emissions.

To support the delivery of these aims, ten strategic objectives have been developed: (See attached Strategy for further detail)

1. Follow the Waste Hierarchy
2. Preventing waste
3. Recycling on the go
4. Education and awareness
5. Enforcement
6. Best Value
7. Partnership working in Greater Manchester
8. Climate change
9. Empowering local communities
10. Review

## 2.2 **To increase recycling and save money, we want to...**

- Reuse, recycle and recover waste to convert into high value products. To do this more waste must be diverted from going into landfill.
- Cut back on treatment and disposal of waste as all residents have access to our full recycling service and as a result only a relatively small amount of waste (around **25%**) needs to go in grey bins.
- Increase the recycling rate to **60%** or more, strive to be the best recycler in Greater Manchester and consistently be above national recycling targets, progressively and systematically.
- Reduce the cost of waste treatment and disposal.
- Increase education/information so that residents can take steps to prevent waste.
- Reduce the carbon footprint in Bury.

2.3 To achieve the GMWDA's Waste Management Strategy's ambition of zero production of waste and Bury Council's own 'green' ambitions a further review of collections/recycling arrangements is necessary. The proposed new collection service detailed in section 3 below focuses on three of the ten strategic objectives. These are:

- **Follow the Waste Hierarchy**

By making opportunities available, designing appropriate collection systems and raising awareness so that everyone in our communities can play an active role in ensuring that the amount of waste is reduced before it enters the waste stream.

The hierarchy prioritises prevention followed by reuse, recycling and composting. The recovery of energy is the next preference followed by disposal as the last resort. The aim is to prevent waste from being produced in the first place and where waste is produced, treat it as a resource to maximise its potential value.

- **Preventing waste**

One of the biggest challenges we face in our daily lives is reducing the amount of waste we produce. Experience from other councils across the country suggests that if recycling levels of 60%+ are to be achieved then capacity for residual (non recyclable) waste must be restricted. In Bury, we currently recycle **47.6%** and our aim is to increase this to **60%** or more by March 2016. To do this, residents need to have the correct information and knowledge to allow them make informed decisions to help prevent waste. We have become used to purchasing items too easily and then throwing them away when they need replacing.

Waste prevention is about making different decisions and choices about the things we buy and use e.g. by buying items with less packaging, planning meals and food purchases, buying items in refillable containers and composting at home.

- **Education and awareness**

A cornerstone of the Council's Strategy would be to raise awareness and increase support to the public as strategic and operational changes are

implemented. Strong education and effective communication will need to be sustained in order to achieve these challenging targets.

A range of methods would be used to communicate with residents, businesses and schools. Various media formats recognising the diverse society across Bury would provide targeted educational messages. Education would be supported by the provision of advice and guidance backed up as required with enforcement for those in the community who repeatedly and persistently do not take full responsibility for their own waste such as deliberately contaminating recycling bins. The Council would be committed to seeing that such measures are applied in an open, reasonable, consistent and proportionate way.

2.4 It is proposed that the Zero Waste Strategy would be implemented over the next 3 to 5 years through delivery plans, promotion and awareness campaigns, community events, partnership working and monitoring the impact of recycling initiatives.

### 3.0 Proposed Changes to Waste Collection Services

#### 3.1 Existing Service

Bury residents have access to all the containers that they require to effectively separate their waste into 4 different waste streams, in line with the Greater Manchester Waste Disposal Authority (GMWDA) PFI contract requirements. All residents now have access to the following.

- **Grey bin collection** (for waste that can't be recycled) once every 2 weeks.
- **Brown bin or food caddy collection** (for garden waste and/or food waste) once every 2 weeks.
- **Green bin collection** (for paper and cardboard) once every 4 weeks.
- **Blue bin collection** (for glass bottles/jars, plastic bottles, food and drink cans, empty aerosol cans, clean aluminium foil) once every 4 weeks.

There are around 82,000 households in the Borough. Of these, around 8,500 households use communal bins. Based on varying frequencies, annually we empty up to:

- 1.91 million grey residual waste bins.
- 0.96 million blue co-mingled recycling bins.
- 0.96 million paper/card recycling bins.
- 1.69 million brown garden and food waste bins.

The weight (tonnes) of material collected from households in the four main bin types (2010-2014) is shown below. This illustrates the overall progress made in reducing waste that can't be recycled, whilst increasing recycling tonnages.

Year	Grey - Residual	Blue - Bottles/cans /plastics	Green - Paper/card	Brown - garden/ food
2010/11	48,689	6,417	5,279	8,542
2011/12	39,990	7,109	6,783	11,233
2012/13	33,194	7,753	8,269	12,998
2013/14	32,346	7,861	7,921	13,623

Whilst the figures above relate to household collected bin waste only, the Council will seek to increase all forms of recycling including waste from street cleaning and commercial collections.

### 3.2 Why the need for change?

- Waste prevention and management is one of the top priorities of the EU Waste Directive.
- The GMWDA is aiming to achieve a recycling rate of **50%** and diversion of at least **75%** of waste away from landfill by 2015, as required by its 25 year PFI contract, with stretch targets of 60% recycling and 90% diversion from landfill.
- If the GMWDA fails to meet its landfill diversion and recycling targets the levy paid by each Waste Collection Authority (WCA) will increase and so Bury will also see an increase in costs.
- Bury has to make budget savings and up to **£7.3 million** annually is being spent on waste treatment and disposal costs that could be avoided. This is an opportunity to reduce waste management costs.
- In 2014/15 it will cost the Council **£283.72** to treat and dispose of one tonne of residual waste. In comparison, brown bin waste costs **£61.35** per tonne to process, whilst the Council receives an **income** of **£25** per tonne for all materials collected in blue and green bins.
- The Council spends around **£28,000** per day to treat and dispose of residual waste.
- The cost of doing nothing is expensive. Waste disposal costs for Bury at current levels are expected to have ongoing price increases between 2014/15 and 2016/17.

### 3.3 Options Appraisal and Financial Case

6 collection options were modelled to achieve a recycling rate in excess of 50%, which are outlined in **Table 1** below.

**Table 1**

Option	Grey residual waste	Brown garden/ food Up to 240 litre bin	Green paper and card Up to 240 litre bin	Blue Glass, cans and plastic 240 litre bin	Net ongoing saving	Net cost/ saving 2014/15 (6 months wef Oct 2014)
<b>Existing service</b>	<b>240litre bin</b> 2 Weekly	2 Weekly	4 Weekly	4 Weekly		
<b>Option 1</b>	<b>140litre bin</b> 2 Weekly	2 Weekly	4 Weekly	4 Weekly	<b>-£720,281</b>	<b>£232,623</b>
<b>Option 2</b>	<b>140litre bin</b> 2 Weekly	Weekly	4 Weekly	4 Weekly	<b>-£380,742</b>	<b>£720,927</b>
<b>Option 3</b>	<b>240litre bin</b> 3 Weekly	Weekly	4 Weekly	4 Weekly	<b>-£987,899</b>	<b>£271,593</b>

<b>Option 4</b>	<b>240litre bin</b> 3 Weekly	2 Weekly	4 Weekly	4 Weekly	<b>-£1,033,498</b>	<b>-£67,641</b>
<b>Option 5</b>	<b>240litre bin</b> 3 Weekly	Weekly	3 weekly	3 weekly	<b>-£664,279</b>	<b>£434,803</b>
<b>Option 6</b>	<b>240litre bin</b> 3 Weekly	2 Weekly	3 weekly	3 weekly	<b>-£862,078</b>	<b>£100,668</b>

#### Notes:

- Option 1 and 2 require an investment of **£1.1m** to buy new 140 litre grey bins
- Options 5 and 6 provide improved service for blue and green bin recycling
- Options 2, 3 and 5 (weekly biowaste collection) have an additional operational cost of **£960k**. This could be offset with a **£630k** biowaste recycling saving. However a weekly biowaste collection could increase the amount of garden waste entering the system.
- All the above options would incur one off costs for marketing and communications and the purchase and delivery of additional bins.
- Options 1, 4 & 6 assume a diversion of 4000t of residual waste and levy savings of £890k.
- Options 2,3 & 5 assume diversion of 6700t and savings of £1520k, but with a higher risk of non achievement.

Option 6 is the preferred option and in summary, this option proposes:

- a reduction in collection frequency of the existing 240 litre residual waste grey bin to **3 weekly**.
- an increase in the collection frequency of the blue and green recycling bins **from 4 weekly to 3 weekly**.
- that **2 weekly** brown bin collections remain unaltered.
- that properties such as flats that have communal bins would, generally speaking, remain on **2 weekly** collections of non recyclable waste because it would be impractical to extend collections to 3 weekly.

#### The advantages of option 6 include:

- it offers the same overall weekly bin capacity of **360 litres** as now, but with a shift in capacity in favour of recycling. It should be remembered that prior to the introduction of kerbside recycling in 2000, households had a single 240 litre grey bin emptied weekly in which to contain all their waste.
- it avoids capital outlay of approximately **£1.1m** and annual capital repayment costs of £135,000 associated with the purchase of approximately **70,000** 140 litre grey bins, a procurement exercise to purchase the 140 litre bins and a huge logistical exercise of exchanging old for new bins.



- it is predicted to achieve an estimated recycling rate of around **56%** and ongoing net savings of approximately **£862,000** per annum from 2015/16 in avoided treatment and disposal costs.
- There is no increase in operational costs and no job losses.
- it enables grey, blue and green bin rounds to mirror each other. This enables the same collection crew to service grey, blue and green bins on the one round. This would improve familiarity and hence service quality, with an anticipated reduction in complaints regarding missed collections, etc.
- it provides maximum flexibility for the future. Does not preclude the introduction of 140 litre grey bins, weekly food waste collections or a return to 4 weekly dry recycling collections in future years.
- there is no increase in disruption to collections over Christmas and New Year. Any collections scheduled for Bank Holiday Mondays or Good Friday would take place as usual.

#### **4.0 Financial Implications**

Capital costs of **£213,355** would be incurred to buy extra recycling bins needed to support the scheme. These costs would be funded from loan and/or reserves.

There would be extra one-off revenue costs estimated at **£189,643** for promotion, distribution of bins, and additional support during the implementation period. These costs would be offset by estimated reductions in waste disposal charges through the levy, producing longer term savings. The extra costs and savings for each option are shown in the report, along with the estimated net impact on budgets in 2014/15 and 2015/16. The figures shown assume implementation of the options from October 2014.

As the Council has already committed to tonnages for 2014/15 the refund for reduced residual tonnages will only be at a marginal rate in 2014/15. The full impact of levy reductions will be received with effect from 2015/16. To achieve the saving the Council will need to commit to reduced tonnage levels by early December 2014.

One-off costs in 2014/15 in excess of in-year levy savings would be funded from the transformation reserve. If recycling performance exceeds the assumed levels and levy savings exceeded costs it is proposed to set these aside in the levy equalisation reserve to offset future years costs.

The levy reductions are dependant on achieving the estimated reductions in residual waste tonnages and increases in recycling tonnages beyond those committed to when the extra regulatory officers were approved in September 2013.

There remains a risk that the recycling targets and associated savings would not be achieved. This risk needs to be considered when budgets are set for future years.

The availability of finance through the Government's Weekly Collection Support Scheme was considered but this was deemed not a viable option for Bury in achieving recycling targets.

## **5.0 Communications**

5.1 If the proposed option is agreed, a detailed implementation plan would be completed with communications being vital to market the new service and to promote behavioural change amongst residents. The success of implementing the change would be dependent on ensuring clear, simple and consistent communication and information, in respect of the new service and how to recycle effectively.

Key elements of this include:

- Compilation of a media pack.
- A list of Q & A's on the website.
- A series of neighbourhood road-shows across the Borough at which residents can speak directly to Waste Management Officers to address both general and individual concerns.
- In August/early September, delivery of a pre-leaflet to every household outlining the impending service changes.
- In mid to late September, delivery to every household of a comprehensive information pack, including a calendar of collection dates.

## **6.0 Timetable**

It is proposed that the changes to the collection service are implemented from the week commencing Monday 6 October 2014. The changes would be implemented across the entire Borough at the same time.

Subject to cabinet approval, a pre-leaflet would be distributed to all households in late August/early September and a comprehensive information pack to all households including calendar of collection dates in mid to late September.

Presentations to Township Forums could be timed during September and October 2014

An additional missed bin vehicle could be provided between October 2014 and March 2015 to respond to residents' reports of missed bins and to support a smooth transition of service.

## **7.0 Risk Management**

Given the extent and nature of the service changes proposed a Risk Register has been developed, which would be maintained through the planning and implementation phases.

One of the main risks in introducing a new collection arrangement relates to creating confusion and uncertainty amongst residents. It is therefore essential that there is effective communication and clear instructions given in the lead up to and during the implementation of the new scheme. In addition, it would be necessary to have contingency arrangements in place during the first few weeks in order to deal with reports from residents of 'missed collections' and until households become accustomed to the new arrangements.

One of the main concerns likely to be expressed by residents is in relation to odours, attraction of vermin and insects. This is of particular concern to those having to store disposable nappies in their grey bin for 3 weeks. There is an obvious need to encourage residents to make better use of the 2 weekly food waste collection service, whilst providing practical guidance on how to hygienically dispose of nappies in the grey bin and keeping the grey bin clean and to monitor this. We will work with residents and other groups to identify appropriate ways of dealing with issues that arise.

There is a risk that sufficient tonnage of recyclables is not diverted from the grey residual waste bin into the recycling bins and not achieving the required savings. For this reason recycling targets are conservative and once the service change is implemented we will monitor tonnages diverted closely on a month to month basis and budget accordingly.

Arrangements may not be suitable or effective in cases of larger families, those with babies using disposable nappies or those with a medical condition that generates medical waste. Therefore larger families and others with special circumstances would be able to apply for an additional bin. This would be subject to demonstrating that recycling is being maximised and may be subject to a waste audit.

We are however increasing recycling collections from 4 weekly to 3 weekly. The proposed changes are part of a wider strategy that includes education and awareness, effective communication, partnership working and preventing waste.

## **8.0 Equality and Diversity**

The waste collection service is delivered to every single household in the Borough, regardless of its individual characteristics and Equality Analysis has shown there is a neutral impact in terms of equality-

Plans are in place to ensure that appropriate and accessible formats will be used to communicate information about the proposed change and provide support as necessary. Arrangements are already in place to help those who have difficulty in presenting bins for collection.

Households that may generate excess residual waste due to family size or having babies using disposable nappies or that contain somebody with a medical condition would be able to apply for additional grey bin capacity if they feel they have a need.

Home visits would be made by Waste Management Officers to households struggling to comply with collection service requirements, offering advice and guidance. Waste audits are also provided.

## **9.0 Conclusion**

In the last 3 years, following major changes to the waste collection system in October 2011, Bury Council and the residents of Bury have successfully increased recycling performance from **29.4%** to **47.6%** and as a result saved **£2.54 million**. At **47.6%** our recycling rate is the third best rate in Greater Manchester but we know we can, and must do better.

The management, collection and handling of waste is becoming increasingly challenging in a society that continues to recognise the need to be more sustainable. To take recycling and waste management forward, a comprehensive strategy has been developed that captures all of the elements required for successfully achieving targets and reducing the cost of waste collection to Bury Council Tax payers. This is not just about restricting capacity in the grey bin for waste that can't be recycled but includes improving the recycling frequency, providing residents with help and support to maximise recycling as well as actions for education and awareness; waste prevention and enforcement where necessary.

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### **List of Background Papers:-**

- Bury Council – Zero Waste Strategy
- GMWDA – Waste Management Strategy
- Changes to Waste Collection Service Business Case
- Communications Plan
- Equality Analysis Form

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