
OUTLINE WASTE MANAGEMENT STRATEGY 2015 - 2018

Purpose of Report

1. To provide Members with a summary of the Outline Waste Management Strategy for 2015 to 2018. Following the October Cabinet meeting the Draft Waste Management Strategy 2015 to 2018 will be put out for consultation. It is anticipated that the Waste Management Strategy 2015 to 2018 will be in place by April 2015.

Background

2. The council has to comply with the following waste legalisation in relation to waste performance and recycling.
 - The Landfill Allowances Scheme (Wales) Regulations 2004 for the disposal of biodegradable waste.
 - Recycling, Preparation for Re-use and Composting Targets (Definitions) (Wales) Order 2011 and Regulations 4 and 5 of The Recycling, Preparation for Re-use and Composting Targets (Monitoring and Penalties) (Wales) Regulations 2011 for recycling performance targets.
3. Cardiff's Waste Management Strategy 2011-2015 was published in 2011 and resulted in a significant change to the way recycling and waste is collected in Cardiff. It moved the city to a fortnightly collection of residual waste, and separate weekly collections of food waste and recycling. This change in kerbside collection method, along with adopting many other recommendations from the previous waste strategy has seen Cardiff's overall recycling, re-use and composting rate rise from 39% in 2009/10 to 52% in 2012/13. The City of Cardiff Council achieved its first statutory reuse/recycling & composting target of 52% in 2012/13. However, the 2013/14 period saw the city only achieving 50%.

4. The following statutory targets are in place and each carries a £200 per tonne penalty for failure. As a result of Cardiff's recycling performance in 2013/14 the Council could face fines in excess of £800,000. Therefore, it is imperative that the Council takes steps to improve its recycling performance.

Cardiff's Statutory Targets

- **Table 1 - Targets on waste collected by Local Authorities**

Targets on waste collected by Local Authorities	2014/15	2015/16	2019/20	2024/25
Minimum overall recycling	52%	58%	64%	70%
Maximum level of landfill	-	-	10%	5%
Maximum level of energy from waste	-	42%	36%	30%
Biodegradable Landfill Allowance	43729t	41692t	33557t	-

- **Table 1 - Targets on waste collected by Local Authorities**

5. **Table 1** illustrates the waste targets that have been allocated to Welsh Local Authorities. It should be noted that the 2014/15 target for minimum overall recycling is 52%; this will increase to 58% in 2015/16, 64% in 2019/20 and 70% by 2024/25.
6. In addition to statutory targets, there has been a change to the fundamental EU legislation that relates to recycling and waste collections. This is set out in the revised Waste Framework Directive 2012 and subsequently the Waste (England and Wales) (Amendment) Regulations 2012. These regulations outline the need for separate collections of waste paper, metal, plastic or glass by January 2015 or a robust evidence based defence to demonstrate that the current collection methods used can achieve high quality recycling, whilst also being the best technical, environmental and economically practicable solution (TEEP).
7. Absolute change is not required by 1st January 2015, but the Council must be working towards a business case for change or a TEEP evidence base. Any business case must be benchmarked against a kerbside sort box solution as the EU and Welsh Government determine this method to be to optimum solution for low cost, sustainable and high quality recycling services.

8. Therefore, as a comingled authority, the Council must develop a robust evidence base around its decision process and present data modelling on the Council's chosen collection method. The main areas that the Council needs to consider in this evidence base are:

- **High Quality Recycling** - How do the councils current end markets compare with that of kerbside recycling systems, for example, do we supply the same closed loop markets. There is a potential legal argument that as long as the material is recycled then this meets the definition of high quality recycling. Welsh Government has taken this meaning to be closed loop only as kerbside sort is perceived to provide higher quality outputs.
- **Technically Practicable** – Is there any reason why kerbside sort cannot be undertaken. This can be taken down to a very small localised area, for example, flats.
- **Environmentally Practicable** – Is it more damaging to the environment to undertake kerbside sort than the current method, for example, an increased carbon footprint.
- **Economically Practicable** - The service costs from collections through to reprocessing should be compared against the default kerbside collection and reprocessing systems.

The council should also consider:

- **Human Health** - This could be the impacts of increased traffic congestion from slower kerbside collections and/or having to transport product to further distances to ensure they are processed through a closed loop processors.
- **Social Impacts** – This could cover a wide number of impacts and include the number of people employed in the street scene and quality impact on residents.

Waste Strategy & Recycling Performance

9. The majority of the initiatives identified to take the council to 52% have been delivered. A revised strategy is now required to deliver the next step changes in recycling performance and take the council to over 64% by 2020. This in effect means that after taking into consideration waste and population growth we have to recycle approximately 32,000 tonnes of additional waste in Cardiff each year; the current recycling volume is currently 85,578 tonnes per annum.

10. In 2013/14 the Council failed to reach the recycling targets by over 4000 tonnes. If the full fine is imposed, this would equate to a fiscal penalty of over £800,000. The “do nothing option” is not an option for Cardiff; if no further changes are made to the council recycling services delivery the fines between now and 2020 could equate to over £21m. As a consequence the Council has undertaken a review of each service section to establish the required actions to deliver step changes in recycling.

Household Waste Recycling Centres

11. The Household Waste Recycling Centres achieved 65% recycling in 2013/14. A series of proposed improvements are being implemented in 2014/15 with a need to reach the 80% recycling target for the sites.

Street Cleansing

12. Street Cleansing is seen as a difficult area in which to make recycling improvements, however, it is felt that the currently low recycling rate can be improved and that a 60% recycling rate is achievable. The recycling of sweepings is currently under a regional procurement exercise for 2014/15 and will provide the greatest proportion of recycling for this waste stream. Other initiatives need to be more recycling litter bins, more recycling of bulky and fly tipped materials and recycling of the litter collected by operatives and from waste litter bins.

Commercial Waste

13. The core infrastructure is in place for commercial recycling with the Commercial Waste Service (currently recycling 37%) and the trade facility at Bessemer Close. Further marketing of the new commercial trade site is required . A balance will need to be achieved between income and recycling performance in order to achieve the required recycling levels. A commercial business plan is in place to grow the service for income and also to encourage recycling.

Project Gwyrdd

14. Project Gwyrdd has been developed as an alternative waste treatment solution to landfill, for waste not recycled at the kerbside or through commercial, House Waste Recycling

Centres, i.e. waste which cannot be recycled. However some outputs for recycling are guaranteed. From April 2016, not before, the facility is guaranteed to provide a 5% contribution to recycling from the proportion of Council waste processed and will be an assistance to the council in moving towards higher recycling, but will not offer the full solution.

Domestic collections

15. Since the 2011 service change, the recycling from the households has increased has now plateaued and is unlikely to change without a service change to drive recycling out of the residual waste bins and bags.
16. The Council provides a weekly recycling and food collection service; currently 64% of households regularly use these services. This percentage needs to increase to achieve the higher recycling targets. The top performing Local Authorities, such as Monmouthshire, have one factor in common; they have recently introduced a strict limit on how much general waste can be presented for collections. This can be achieved by providing a smaller wheeled bin (exchange the current 240 litre capacity to a 140 litres), or a bespoke number of bags or changing the frequency of general waste collections to three or four weekly.
17. Analysis of the remaining general waste in Cardiff shows that almost half of what is thrown away could be easily recycled. This is even higher in the bag areas of the city where they have no restriction on the number of black bags households can present. The domestic waste stream is two thirds of the waste that the Council processes – i.e. this represents the most significant proportion of the waste stream. The focus must be on driving this recycling out of the general waste; it is felt that education and persuasion will be insufficient to drive recycling. Restricting the quantities of general waste that people can present is required.
18. In November 2013 a consultation paper was produced “Waste Strategy Survey - A 2025 vision for Cardiff”. The consultation made some important conclusions, these included:
 - Over 70% supported co-mingled recycling collection methods;
 - 74% supported simple collection methods;

- 54% agreed that restricting waste would make them recycle more. With 67% supporting that restricting waste should be applied to the bag areas;
 - 54% of people saying they had spare capacity in their wheeled bins on collection day;
 - 76% supported equally or the same services across the city, and any changes should apply to flats as well as households.
19. In summary, to achieve the long term recycling targets, Cardiff will be required to recycle at least an additional 30,000 tonnes.
20. The Welsh Government, through the Collaborative Change Programme, has supported Cardiff to undertake service modelling in order to determine the best TEEP option for Cardiff. Numerous collection methods were explored and narrowed down using the Kerbside Analysis Tool. The options are:
- To continue with the current collection method;
 - Kerbside sort (the required benchmark);
 - A twin stream collection method where glass and paper are kept separate.
21. A full business case is required to assess these options however a consultation on the strategy is a very important step that the Council are proposing to commence in the Cabinet report.
22. The risks of change need to be fully considered and afforded. There are numerous risks associated with the waste strategy. Principally these are:

Funding

- Since 2012 the Sustainable Waste Management Grant has reduced by over £500,000 and the Regional Capital Access Funds from Welsh Government has been removed altogether. The Regional Capital Access Fund historically ranged from £200,000 to £300,000 per year. It is also anticipated that the Sustainable Waste Management Grant will continue to reduce by 3% each year; it is anticipated that by 2018 the Sustainable Waste Management Grant support will reduce by a further £1million.
- The Welsh Government has outlined their preferred collection and processing methods within the collections blueprint; this mirrors the requirements of the Revised

Waste Framework Directive. The Sustainable Waste Management Grant funding may be at risk for schemes that do not adopt their preferred methodology. In addition to this there are pressures on revenue budgets to deliver increased service provision; these must be balanced with corporate needs to deliver savings.

- Obtaining high quality recycling markets will increase the income to the council and also reduce the risks if markets become unstable or market prices drop. Closed loop recycling products consistently secure the best market prices. Any future collection method must incorporate and minimise the impacts of future markets and the income that can be secured and maintained.
- Welsh Government has outlined that there will be some capital funding available to support Local Authorities to deliver the cost of change, but the level of support needs to be fully explored as it may not be sufficient to fund the level of change that Cardiff requires.

Public Participation

The Welsh Government guidance states that public opinion is not a factor to be considered in the TEEP evidence; however, in the “Waste Strategy Survey - A 2025 vision for Cardiff” consultation exercise undertaken in 2013 at that time fewer than 4% of residents supported a kerbside box solution for Cardiff. The Council needs to consider the costs of delivering any future service if residents are not fully engaged or supportive of the change. Without full public participation in future recycling schemes the higher targets of 64% and beyond will be difficult to achieve.

The Cost of Change

Robust detailed modelling and business planning is required to ensure that any future investment in vehicles or infrastructure is sound. There are a number of factors that could impact on the financial position, these include:

- Public participation;
- Market prices;
- Recycling capacity, what if residents use an additional container;
- Remaining asset value of the MRF;

- Vehicle contract penalties for premature changes to the current collection vehicle fleet;
- These may not be limiting factors, but may strongly influence the timings of any changes.

Issues

23. Councillor Bob Derbyshire, Cabinet Member for the Environment and officers from the Environment Directorate have been invited to attend to give a presentation and to answer Members' questions on the proposed consultation document.

Way Forward

24. The meeting will provide the Environmental Scrutiny Committee with the opportunity to scrutinise and comment on the consultation proposals for the Outline Waste Management Strategy 2015 to 2018. Any comments and observations made should be sent to the Cabinet Member for the Environment for his consideration as part of that consultation.

Legal Implications

25. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

26. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

RECOMMENDATIONS

The Committee is recommended to:

- Consider the information in the report;
- Decide whether they would like to make any comments to the Cabinet;
- Decide the way forward for any future scrutiny of the issues discussed.

MARIE ROSENTHAL

County Clerk and Monitoring Officer

1st October 2014