

**Agenda Item No:** 7.5

**Report No:** 198/07

**Report Title:** Pilot Cardboard Recycling Scheme

**Report To:** Cabinet

**Date:** 17 October 2007

**Lead Councillor:** Cllr Eddie Collict

**Ward(s) Affected:** Seaford Central, East, South, West, North (initially) ,  
other wards later

**Report By:** Director of Planning & Environmental Services

**Contact Officer(s):** Andrew Bryce , Head of Waste & Recycling

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**Purpose of Report:**

To introduce a pilot cardboard (and later paper) recycling scheme for flats and commercial premises in the knowledge that there is likely to be demand for expansion of the scheme in the near future which would have an impact on the General Fund base budget and capital replacement programme.

**Officers Recommendation(s):**

- 1 To agree a six month pilot scheme for cardboard recycling, to run from November 2007 to May 2008
  - 2 To request officers to report back on the results of the pilot project, making recommendations on the future operation of this scheme.
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**Reasons for Recommendations**

- 1 To move towards compliance with Section 1 of the Household Waste Recycling Act 2003 (see Appendix 1)
- 2 To increase recycling in accord with the priorities for service improvement set out in the Council Plan 2007 / 08.
- 3 To provide a service to flats
- 4 To improve customer satisfaction with the commercial and domestic waste services.

**1 Information**

- 1.1 Kerbside recycling has been provided to all households in the District, with the exception of particularly difficult to serve premises and flats of more than two storeys height. The Household Waste Recycling Act 2003 requires that all premises are provided with collection of at least two separate recycled materials by December 2010 (with certain exceptions, see Appendix 1). The Council's recycling rate is currently in the order of 22 to 23% and our target from Central Government is 27%. The new

National Waste Strategy for England has recently suggested national targets that are even higher.

- 1.2 The proposed pilot scheme consists of using a second hand refuse collection vehicle to target the capture of cardboard from blocks of flats and from commercial premises in Seaford. Seaford has been chosen because it is the largest town in the district, access is comparatively easy for heavy goods vehicles and there is a significant proportion of blocks of flats. The same vehicle is proposed to be used in Seaford to offer a bespoke cardboard collection service to its commercial customers. It is anticipated that this may have some knock-on effect in attracting new commercial business for the Council's Trade Waste Collection service, generating additional income.
- 1.3 A survey of blocks of flats in Lewes District was undertaken last year. There are 128 blocks containing 2505 individual residences with somewhere between 3,000 and 6,000 residents. Currently 15 blocks comprising 363 individual flats are already served with sites either on site or in very close proximity. The proposal is to place bins for cardboard recycling onto as many as possible of 52 blocks (with 756 flats) as possible. We have intelligence from recent survey work including photographs of sites and contact details, as well as from refuse collection records.
- 1.4 The pilot scheme would last for six months from November 2007 to May 2008 (which will give time for arrangements to bed in and settled recycling patterns to emerge ) and performance would be reviewed monthly. It is intended to report the outcome back to Cabinet early in the new financial year with detailed recommendations of how to expand the scheme in the most efficient way.
- 1.5 In parallel, the Lead Councillors' review of waste and recycling is continuing with another members workshop scheduled for October 19. This review is working towards development of a recommended package of measures to improve waste management and recycling for Lewes District into 2008 and beyond. It may well include proposals for expanding cardboard recycling. It is planned to report the outcome of the review to Cabinet in January 2008, so that any overall financial implications can be considered as part of 2008-9 revenue and capital budgets.

## 2 Financial Appraisal

- 2.1 There are no financial implications at this time as the finances for the pilot service are all within existing budgets. It is intended to use one of the oldest refuse collection vehicles in the current fleet for two days a week for the duration of the pilot project. There is an approved budget of £10,000 which is adequate to cover vehicle maintenance and fuel for two days per week, and there is scope within the salary budgets for the refuse service to cover the cost of the driver. Grant funding from East Sussex County Council will be used to purchase bins for the sites.
- 2.2 However, assuming the pilot scheme is successful, there is likely to be demand for expansion of this service to flats in other parts of the district and possibly for inclusion of other materials (in particular paper). Although it is not possible to provide a detailed estimate until the results of the pilot project are known, an indication of the possible future recurring revenue costs is shown below. These would be an additional demand on the General Fund base budget.

	£
Staffing costs for full-time driver	22,000
Additional fuel and routine maintenance costs	10,000
Less potential income from sales and Recycling Credits	(20,000)
Net recurring cost	<u>12,000</u>

- 2.3 The net cost above includes income from sales of materials and recycling credits from the domestic waste collected. At this time, it is impossible to determine what these amounts might be and part of the purpose of running a trial is to estimate how much material will be collected on an ongoing basis. Currently the recycling credit is £43.00 per tonne and the sale of cardboard is £10 per tonne but subject to considerable variation (it has been £0 in the past). It is also anticipated that it is likely that we will attract new commercial customers with this service. The extent of this is unknown.
- 2.4 At present the income projection is based on recovering 200 tonnes per year from flats. That would be 3.5 kilos of paper and cardboard per flat per fortnight. The actual weights will not be able to be estimated well until after the trials. It is also possible that this growth is likely to be ameliorated by the potential negative impact on the use of mini recycling centres by people from flats who may use those facilities.
- 2.5 As well as the recurring revenue costs, provision would need to be made for the replacement of the refuse vehicle used for this service. This would require a capital contribution of £20,000, assuming that another second-hand vehicle would be bought.

### **3 Risk Assessment**

- 3.1 The following risks will arise if the recommendations are not implemented, and I propose to mitigate these risks in the following ways:
- 3.2 Changes in national waste strategy and legislation are the driving forces behind this scheme. The risk is of not moving forward with this trial and then further work with flats. See Appendix 1 to the Report. This risk is of failing in a statutory duty. This risk is intended to be mitigated by approval of this scheme and its expansion after a trial period. Failure to approve will require a new scheme to be devised and brought to Cabinet.
- 3.3 The following risks will arise if the recommendations are implemented, and I propose to mitigate these risks in the following ways:
- 3.4 The vehicle to be used will be second hand. There is always a risk when running vehicles that there will be a fatal mechanical problem rendering the vehicle not repairable economically. The maximum risk is the full replacement cost of the vehicle and would be in the order of £20,000. There is no foreseeable reason why this should happen on current knowledge of the vehicle in question. The mitigation for this risk is the same as for all vehicles, reliance on insurance (as existing) and on contingency funding (as existing).
- 3.5 If the recommendations are not implemented, the residual risks that cannot be mitigated fully are:

There is a risk of lack of customer satisfaction by not providing this service. This risk would be compounded by providing the service and withdrawing it at the end of the trial.

### **4 Environmental Implications**

- 4.1 I have completed the Environmental Implications Questionnaire and there are significant effects as a result of these recommendations. These are:
- Positive effect. Increased recycling resulting in reduced waste to landfill, energy savings etc.

- Negative effect. Increased use of a road vehicle utilising fuel to collect the material and transport it. There are no current additional mechanisms proposed to further ameliorate this effect other than those already in use. As a rule it is accepted that the positive effect outweighs the negative effect in waste management life cycle analyses.

**5 Background Papers**

**6 Appendices - Appendix 1: Section 1. The Household Waste Recycling Act 2003.**

ELIZABETH II

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# Household Waste Recycling Act 2003

2003 CHAPTER 29

An Act to make further provision regarding the collection, composting and recycling of household waste; and for connected purposes.

[30th October 2003]

**B**E IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

## 1 Arrangements for separate collection of recyclable waste

After section 45 of the Environmental Protection Act 1990 (c. 43) there is inserted—

### ~45A Arrangements for separate collection of recyclable waste

- (1) This section applies to any waste collection authority whose area is in England (an "English waste collection authority").
  - (2) Where an English waste collection authority has a duty by virtue of section 45(1)(a) above to arrange for the collection of household waste from any premises, the authority shall ensure that the arrangements it makes in relation to those premises include the arrangements mentioned in subsection (3) below, unless it is satisfied that (in that case)—
    - (a) the cost of doing so would be unreasonably high; or
    - (b) comparable alternative arrangements are available.
  - (3) The arrangements are arrangements for the collection of at least two types of recyclable waste together or individually separated from the rest of the household waste.
  - (4) The requirement in subsection (2) above shall apply from 31st December 2010.
- (5) The Secretary of State may, if requested to do so by an English waste collection authority, direct the authority that subsection (4) above shall have effect in relation to that authority as if the date mentioned there were such later date as may be specified in the direction (being a date no later than 31st December 2015).
  - (6) In this section, "recyclable waste" means household waste which is capable of being recycled or composted."