

Report to Cabinet

9 June 2022

By the Cabinet Member for Recycling and Waste

DECISION REQUIRED



**Horsham
District
Council**

Not Exempt

WEEE & Textiles continuation of service and introduction of Podback

Executive Summary

The purpose of this report is to advise on the need to continue services for the collection of small WEEE (Waste Electrical and Electronic Equipment recycling), Textiles and Batteries in line with the objectives outlined in the Council's Corporate Plan as well as to fulfil requirements from the Government's Resources & Waste Strategy for England. This is expected to lead to new legislation mandating the separate collection of small WEEE and textiles by 2025.

Three different options are available for the WEEE and textiles service that has been trialled since May 2021.

Option 1 – to continue with the current service and introduce Podback.

This is the **Recommended** option as it offers the Council a series of benefits including financial, reputational, and increased recycling rates. Podback will also pay one third of the running costs.

Option 2 – to continue with the current service (just WEEE and Textiles) with the Council funding the service. **Not Recommended.** The Council would continue to fund all the costs of running the current service and would not increase recycling rates.

Option 3 – stop the service. **Not Recommended.** New legislation is anticipated to mandate collection of WEEE and Textiles by 2025.

The service to date has been popular between May 21 and March 22 the Council has collected over 11,300 bags of WEEE and Textiles. This represents 11.5 tonnes of WEEE and 21 tonnes of textiles. In the same period, we have collected 4.9 tonnes of batteries. Out of the 11,300 bags of textiles only 4 bags have been rejected due to contamination and the textile off taker Wilcox suggests that a booking system generates higher-quality textile items. Providing a collection service for households for this material stream is the most effective way of targeting the material and stopping it from going to waste. This insight, as well as the reduced usage of bring banks in general, proves that the concept of a collection service (as opposed to increased bring banks) is the way forward to provide the most convenient recycling method for residents.

Option one is recommended as the most favourable strategy to continue to deliver the service and enhance recycling rates with Podback funding reducing the costs of the scheme. Initial talks with Podback's representatives; Eunomia have been established and as long as the appropriate paperwork and modelling is completed within a timely manner,

it is expected that the Council could start the 12-week mobilisation process in June 2022 which will then launch Podback in September 2022.

Recommendations

That the Cabinet is recommended:

- i) To approve the introduction of the Podback scheme and continue the WEEE & Textiles Service in its current format.
- ii) to recommend Council approve a revenue income budget of £14,440 from Podback for the recycling and waste service in 2022/23.

Reasons for Recommendations

- i) Podback funding will reduce the costs of the scheme and increase recycling rates
- ii) Under the constitution, only full Council can approve budget changes

Background Papers

- WEEE Project bid
- PDAG updates in form of presentation 15th March 2022

Wards affected: All wards

Contact: Abigail Nye Commercial Manager/ Laura Parker Head of Parking and Waste

Background Information

1 Introduction and Background

- 1.1 In May 2021, Horsham District Council, in partnership with West Sussex County Council, launched a trial project to collect small WEEE, Textiles and Batteries for reuse and recycling. Results from Waste Composition Analyses shows that approximately 830 tonnes of textiles and 130 tonnes of small WEEE are disposed of within the residual waste stream every year within the Horsham district. This trial would provide an opportunity for residents to reuse or recycle these items, improving the Council's overall recycling rate and providing a reduction in the disposal costs for WSCC. The initial trial was funded by WSCC through the improvement fund, this funding has been extended up until the end of June 2022. We will then need to fund the project to continue. Introducing Podback, a new coffee pod recycling service offsets some of these costs as they contribute money towards our costs for providing the service.
- 1.2 There are three options to consider. Option one which is the recommended option is to introduce Podback to the service. Option two is to continue the service as it is, and to cover the costs and Option three is the stop the service.

2 Relevant Council policy

- 2.1 The report demonstrates responsibility under the corporate plan under section 4.3 Minimise Waste and increase re-use and recycling. This links in with points 4.3.4 Investigate the introduction of kerbside collection of textiles and electricals goods.

3 Details

- 3.1 The Recycling and waste department currently has a WEEE & Textiles service on a trial which is provided at the kerbside on a dedicated vehicle. This has been in a partnership with West Sussex County Council since May 2021. This project was funded by West Sussex County Council for the trial period. The funding was extended up until the end of June 2022. There are three different options for continuing the service beyond the trial.
 - Option 1 is to introduce Podback into the service. This is our recommended option as it will bring us an income as Podback fund part of the service so therefore reduces our costs to run the service.
 - Option 2 is to continue running the trial service permanently as it is.
 - Option 3 is to stop the service completely and not to provide a WEEE and Textiles service at the kerbside in the district.
- 3.2 Podback will fund the element of collections provided for coffee pods only, representing one third of the annual running costs of the collection van, collection operative, as well as 12 days salary for the reporting manager. The Council will therefore be required to continue funding the collections of WEEE and Textiles. A breakdown of the costs that Podback will cover is listed below:
 - One third of the operating costs for the van annually

- One third of the operator's salary
- 12 days per annum of the Manager's salary
- Website amendment costs
- Booking's system amendment costs
- All communications
- Remedial works to the inside of the van to contain coffee pod bags (if necessary)

- 3.3 This funding could therefore represent £12,510 or one third towards the £35,210 annual running costs of the operator, van, and management as well a £7,140 one-off contribution to modification costs and also part up-front funding for the van purchase that the Council was looking to acquire anyway as part of the fleet replacement strategy. These costs are detailed in further detail in Appendix 1. Podback assumes an 8.4% participation in the scheme, which could represent 5,500 households within the Horsham district taking part. However, Horsham district residents are likely to have more coffee machines than average due to the demographics of the Horsham district; therefore, it is assumed that more households than this could take part.
- 3.4 It is expected that the collection of coffee pods could be managed within the current resource of the collections of WEEE & Textiles without compromising the fast-booking slots that customers are currently used to.
- 3.5 Podback are keen to work with local councils to offer a kerbside collection for coffee pods which offer residents a much greater outlet for disposal of these items and therefore contribute to the end producer responsibility which is the purpose of their scheme. This in turn will also reduce the amount of coffee pods, WEEE & textiles currently present in the waste stream.
- 3.6 Some of the benefits with deploying this strategy include:
- The service will continue in its current form, which residents are now used to receiving resulting in reputational benefits to the Council
 - The service continuation means the tonnage collected for recycling will go towards the Council's NI192 Recycling Rate
 - Further reputational benefits are to be had with the introduction of a new recycling service for coffee pods
 - Further increased tonnages of coffee pods collected for recycling will go towards the Council's NI192 Recycling Rate, as well as removing this material from the residual waste stream
 - Funding will represent one-third of the running and start-up costs for the service
- 3.7 If we were not to introduce Podback and continue the service in its current form we would still achieve some of the benefits in option 1. This would however be at a higher cost to the Council, and we may not increase our recycling rate or remove coffee pod material from the waste stream so therefore option 1 would be recommended over this option.
- 3.8 If we were to stop collections this would reduce the Council's costs but would bring substantive reputational risk to the Council for stopping the service. It would also

compromise the NI192 Recycling rate in two ways by reducing the tonnages for recycling and also increasing residual waste tonnage.

- 3.9 There is increasing pressure from the government around kerbside recycling, and it is expected that the government will mandate this service from 2025. It is considered more appropriate for the council to continue the service and monitor how it is delivered to help shape future waste collection methodology as part of the wider waste strategy including delivering food waste.

4 Next Steps

- 4.1 Following approval of the recommended option 1, approval would be sought from Council on 22 June 2022 to amend the 2022/23 revenue budget to include the income from Podback.
- 4.2 The 12-week mobilisation period would then be actioned. Within this mobilisation period the relevant changes to the booking form and vehicle amendments as well as a communication plan. This would then lead to a launch of the introduction of Podback 12 weeks after approval. This is expected to be in September 2022.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 The continuation of the service and the introduction of Podback has been presented to Senior Leadership team as well as the Cabinet Member for Waste and Recycling and deputy Cabinet Member. There have been previous updates of the WEEE & Textiles service to the Waste and Recycling PDAG of the service in its current provision. The introduction of Podback to the service was presented to the Waste and Recycling PDAG on 24 May 2022 in form of a presentation. It was agreed that within the initial trial of pod back the uptake of the service would be reviewed to demonstrate any future efficiencies of the service as well as regular updates on uptake of the service. It was agreed that the service will explore alternative models for the service with community groups during the initial trial period.
- 5.2 The report and options have been reviewed and consulted with the Interim Director of Resources to ensure financial suitability of the scheme.

6 Other Courses of Action Considered but Rejected

- 6.1 Options of where residents have options to dispose of WEEE & Textiles within the district have been considered however have been dismissed due to the limitations that these services provide. Small WEEE disposal routes are limited and will only provide a service in certain conditions and textile routes are limited. There are limited locations where recycling of coffee pods can be taken to, this is only available to people who are able to access these sites.

7 Resource Consequences

- 7.1 The current service (option 2) budget has already been approved through the annual approval of budget 2022/23. Option 2 means that the cost to continue the service in its current form is £35,210.
- 7.2 Income from Podback (option 1) reduces the overall cost to the Council by £12,510 per full year. Appendix 1 sets out the breakdown of the income in detail including the one-off income for the modification of the booking system and internal re-design of the van. The one-off modification costs and pro-rated annual income for seven months of operation in 2022/23 is estimated to be £14,440.
- 7.3 There will be limited requirements from IT to make changes to the booking form to enable residents to book the collection through the existing booking form. Following initial discussions within the waste and tech team, Podback could be introduced fairly easily into the current booking system in place for WEEE & Textiles. A separate web page will be set up, directing customers to the same online form but with the additional option to collect coffee pod bags.

8 Legal Considerations and Implications

- 8.1 The approach has no legal considerations or implications due to the fact that currently it is not a statutory service. There is an expectation that the provision of kerbside collections of WEEE & Textiles will be mandated by 2025 so the continuation of the service will be compliant with our statutory requirements.

9 Risk Assessment

- 9.1 The risks associated with the proposal have different impact depending on the option pursued. Option 1 poses 5 potential risks however these risks have been assessed and the mitigation points explored to ensure that the recommended option does not pose unnecessary risk. These risks and benefits are detailed in Appendix 2
- 9.2 The recommended options pose the least risk to the Council, option 2 poses a higher financial risk to the Council and option 3 poses a high reputational risk to the Council.

10 Procurement implications

- 10.1 The paper has been reviewed by recruitment and there are no concerns with the Podback scheme.

11. Equalities and Human Rights implications / Public Sector Equality Duty

- 11.1 Equality analysis will need to be undertaken to ascertain the potential impact on staff, service users, vulnerable groups and wider communities groups that share protected characteristics and take actions to mitigate any negative impact as each project is developed and implemented.
- 11.2 Under equality legislation, the Council has a legal duty to pay 'due regard' to the need to eliminate discrimination and promote equality in relation to Race, Disability, Gender including gender reassignment, Age, Sexual Orientation, Pregnancy and maternity, Religion or belief. The Council also has a duty to foster good relations,

and to consider the impact of its decisions on human rights. The law requires that this duty to pay 'due regard' is demonstrated in the decision making process. Therefore, your report should contain a statement as to whether the recommendation has a particular impact on any of the above groups and whether an Equalities Impact Assessment is required.

12 Environmental Implications

- 12.1 Suppliers will be assessed on their approach to sustainability (for example carbon reduction, and neutrality, waste, etc.) Introducing Podback contributes to end producer responsibility goals and provides a further recycling service at the kerbside to ensure removal from the main waste stream. Carbon reduction in regard to journeys made has been considered and it is estimated that the service currently excluding Podback reduces vehicle journeys by 43 miles on average compared to the householder taking to the household waste recycling centre. This equates to a reduction of approximately ½ tonne of CO₂.

13 Other Considerations

- 13.1 All options will ensure GDPR and data protection processes are in place and compliant with all relevant legislation.
- 13.2 Crime and disorder incidents are unlikely to occur but do need to be taken into consideration for potential vehicle or infrastructure vandalism. Monitoring processes are in place to deter this behaviour.

Appendix 1- Breakdown of costs and annual funding from Podback

Item	Yearly cost (22/23)	Annual Funding from Podback	Remaining cost to the Council
Van maintenance	£850	£284	£566
HVO	£3,020	£1,007	£2,013
Tax	£259	£87	£172
1 x Cleansing Operative at G2 FTE (including on-costs)	£28,000	£9,333	£18,667
12 days Manager's Salary at G6	£3,082	£1,800	£1,282
Total annual	£35,210	£12,510	£22,700
<i>Pro-rated 1 Sept 2022 to 31 March 2023</i>		<i>£7,300</i>	
Booking modification costs	N/A	£6,490	N/A
Other costs (internal design)	N/A	£650	N/A
One-off modification costs		£7,140	
2022/23 financial year income		£14,440	

Appendix 2- Risks and Mitigation

The risks and mitigation for Project are outlined below:

Risk no.	Risk	Mitigation
1.1	The cost of HVO fuel increases due to external factors leading to the fund not covering the costs	The costs within the budget appraisal have for HVO have been costed with high mileage in mind, which is not necessarily realised within the day to day running of the service. Should costs increase beyond the generous estimation within the budget appraisal it is likely to be minimal however will represent a cost to HDC.
1.2	HDC will be tied into a contract with Podback with contractual obligations	Standard contract received, Legal Team have checked over standard contract and have no concerns. CDC contacted and have no concerns other than rectification of missed collections within 24 hours as part of the KPI's (not so much of an issue on a booking service). Enter into a contract for 12 months initially on a trial basis (to July 2023) to assess the service in line with HDC monitoring of all material streams and deliverability.
1.3	Popularity of service results in existing resource becoming over-subscribed	Tech Team alter the form to ensure that bookings do not exceed the daily capacity of the team (however this results in an additional risk – see risk no. 1.4).
1.4	Popularity of all services results in booking delays for customers with days only available weeks in advance, discouraging residents from using the services and resulting in reputational damage, reduced tonnages as well as customers improperly disposing of WEEE, Textiles and coffee pods in their residual waste bins for ease	Based on CDC sign-ups (1,200 since July with minimal communications) and the capacity of the existing resource, it is anticipated that this could be a small risk that will require little mitigation Podback will fund additional resources if they are required to collect coffee pods – it has been confirmed that this will form part of the contingency costs.
1.5	Logistics of collecting three separate material streams together causes increased time required for the collections team to separate within the vehicle	Single disposal points at Hop Oast provided by off-takers (including Podback) will reduce trips to transfer stations / off-site disposal points Vehicle can be modified with funding from Podback to provide easier storage of materials while in transit.
1.6	Funding with Podback is based on a limited timeframe, resulting in	Increasing Government pressure and regulations in line with Extended Producer Responsibility

	possible cessation of the service after the funding ends	(polluter-pays principle) would likely see this service expanded, rather than reduced Explore options after contract end date Consider entering into a longer-term contract if this is available.
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