

TO: JOINT WASTE DISPOSAL BOARD
21st September 2023

PROGRESS REPORT
Report of the re3 Project Director

1 INTRODUCTION

- 1.1 The purpose of this report is to brief the re3 Joint Waste Disposal Board on progress in the delivery of the re3 Joint Waste PFI Contract.

2 RECOMMENDATIONS

- 2.1 That Members note the contents of this report.
- 2.2 That Members approve the rescheduling of the AGM to be at the summer meeting of the re3 Board from 2024 onwards.
- 2.3 That Members approve the Strategic Principles as described at 5.42 and listed at 5.44.

3 ALTERNATIVE OPTIONS CONSIDERED

- 3.1 None for this report.

4 REASONS FOR RECOMMENDATION

- 4.1 The purpose of this report is to brief Members in relation to progress in delivery of the re3 Joint Waste PFI Contract.

5 PROGRESS IN RELATION TO WASTE MANAGEMENT

Scheduling of Annual General Meeting

- 5.1 The Annual General Meeting for the Joint Waste Disposal Board was originally held at its summer meeting following each Council's Annual Meeting. Due to an advisory meeting held on 17 June 2021 at which members could not elect a new Chairman, the Annual General Meeting shifted to the Autumn meeting in recent years.
- 5.2 Board members have requested that the Annual General Meeting be held at the Board's Summer meeting, to take account of any portfolio changes following May elections. This change could also streamline the arrangements for the election of Chairman once the Board's membership is confirmed following each Council's Annual Meeting in May.
- 5.3 As there is no reference to the date of the Annual General Meeting in the Board's Terms of Reference, no formal decision is required but Members of the Board are recommended to approve the change. This paper and the minutes of the 21 September 2023 Board meeting will record this change.
- 5.4 The 2023/24 Annual General Meeting is being held in the 21 September 2023 meeting. Subject to the agreement of the recommendation, the 2024/25 Annual General Meeting and every Annual General Meeting thereafter will be held at the next available Board meeting following each Council's Annual Meeting.

re3 and Council Performance Statistics

- 5.5 The provisional recycling rates for April-August 2023/24 are presented below, alongside a comparison with the Qtr1 and Qtr2 statistics for 2022/23.

	April 2022 – Sept 2022	April 2023 – August 2023	Change
BFC	55.6%	58.4%	2.8%
RBC	50.4%	52.8%	2.4%
WBC	54.4%	58.0%	3.6%

- 5.6 Members will observe an increase in the recycling rates of all three councils. Garden waste tonnages are a major contributor, and the table below demonstrates the benefit to the overall recycling rates caused by the additional tonnages (both at the kerbside and delivered to the recycling centres).

	Green waste Tonnage Increase (April to August 2022 vs April to August 2023)	Contribution of additional tonnages to provisional April-Sept 2023 Recycling Rate
BFC	870	4.1%
RBC	683	2.9%
WBC	1593	5.3%

- 5.7 Although we have seen an increase in garden waste tonnages (probably as a result of a wetter summer), other recyclable tonnages have declined. Food waste is an area in which the tonnages have reduced for all three councils. The financial impact of this is reported separately.
- 5.8 A compositional analysis of kerbside residual waste has been scheduled to take place in the weeks of the 18th and 25th of September. This will be an opportunity for the Partnership to obtain further insights into the type and quantity of recyclables still present in the 'black bag' waste. It may also help us to gain some useful baseline data ahead of key future projects (such as the introduction of alternate weekly collections in Wokingham and the expansion of the FlexCollect project). Officers will report the outcomes of the analysis at the January meeting of the JWDB, alongside some proposed actions to increase the recycling rate.

Flexible Plastic Packaging Recycling Trial

- 5.9 At the January meeting of the re3 Joint Waste Disposal Board, Members asked Officers to investigate options for recycling flexible plastic packaging such as bags, films and wrappers.
- 5.10 Prompted by the specific request from the re3 Board, Officers contacted the FlexCollect team to express an interest in being part of a funded research trial. This trial is seeking to understand a range of factors relating to the collection, sorting, transporting and processing of flexible plastic; ahead of kerbside collections becoming mandatory through the Environment Act. Members will recall that the trial is sponsored by DEFRA.
- 5.11 At the JWDB meeting in June, Officers reported that the re3 Partnership had been

selected to take part in the trial, and Members agreed to the participation, subject to all legal matters being concluded.

- 5.12 The liability and insurance for the project sits with the Councils (as operators for the project), and the re3 service teams therefore needed to consider the potential risks that this would expose them to in deciding whether to proceed. Following creation and review of a risk register, which quantified relevant risks and identified appropriate responses, Officers can confirm that contracts are being signed by each of the re3 Councils.
- 5.13 Members will recall that the first phase of the re3 project is taking place in Reading Borough Council. Officers can confirm that service in the trial area is to be launched on the 18th of September. Residents in the participating streets will have received correspondence informing them of the trial (and how to participate), as well as a supply of blue collection bags, prior to this date.
- 5.14 Once the service has been successfully launched, Officers will work with FlexCollect, our Waste Disposal Contractor, and with Waste Collection colleagues in order to gather appropriate learning. This will likely include:
- Counting and weighing bags delivered to the Material Recovery Facility (MRF)
 - Monitoring tonnage data for recyclable and residual waste
 - Reviewing crew tip times at the MRF
 - Liaising with collection crews to identify any issues at the kerbside
 - Liaising with customer service team, and monitoring resident feedback, to identify common queries or complaints from residents
 - Liaising with the Waste Disposal Contractor about any issues in storing and sorting the waste.
 - Undertaking surveys with participants
 - Monitoring requests for further deliveries of bags

In addition the following are examples of information likely be available to re3 via Suez and the reprocessors: Composition of the blue bags, quality of finished products, gate fees or rebates, ease of processing, and the cost of transporting, storing and bulking.

- 5.15 Trials are expected to commence in Bracknell Forest and Wokingham Boroughs early in 2024 and discussions about suitable dates and areas have begun.
- 5.16 Officers will keep Members informed as the project progresses.

WEEE (Waste Electrical and Electronic Equipment) Banks

- 5.17 At the January meeting of the Joint Waste Disposal Board, Members instructed Officers to investigate the idea of using a network of recycling banks to collect small electrical appliances (such as kettles, irons and hairdryers).
- 5.18 Following discussions with a local WEEE recycler, an application for funding was subsequently submitted to the Material Focus WEEE fund to cover the anticipated cost of renting and operating 30 banks across the re3 area, until 2031. It also factored in the costs of communicating and monitoring the service and supporting local repair cafes.
- 5.19 As the re3 funding application was successful, Officers began to prepare for the next stages of the project. A service specification was finalised and Officers requested that our Waste Disposal Contractor use their knowledge of the market to seek some additional quotes for the work. No quotes were received, and it was assessed that

WEEE companies need to be local in order to provide cost effective services. In the absence of three quotes, advice was sought from colleagues in the Reading Borough Council Procurement Team and they indicated a requirement for a full procurement exercise to be run through the RBC system. Request for Quotation (RFQ) documents therefore went live on the 10th of August.

- 5.20 The AATF (Approved Authorised Treatment Facility) Forum was invited to approach their members so that interested companies could come forwards. Interested companies were then asked to confirm the number of banks they could provide with the funding available and to provide a copy of their standard terms and conditions or a service level agreement, as part of the tender process.
- 5.21 The deadline for the receipt of RFQ documents was the 6th of September and Officers can confirm that no bids were received. As a result Officers are liaising with the local WEEE recycler to ascertain if they are still interested in the project and the reasons why they didn't submit a bid through the RBC system. If appropriate, Officers will apply for a waiver from the Corporate Procurement Rules, so that the Contract can be directly awarded. The basis for the waiver in this instance will be 1) that opportunities for other companies to come forward have been made, 2) this is a worthwhile project which is supported by the re3 JWDB, and 3) Material Focus have indicated that the project needs to commence later this year.
- 5.22 Officers will keep Members informed as the discussions move forwards.

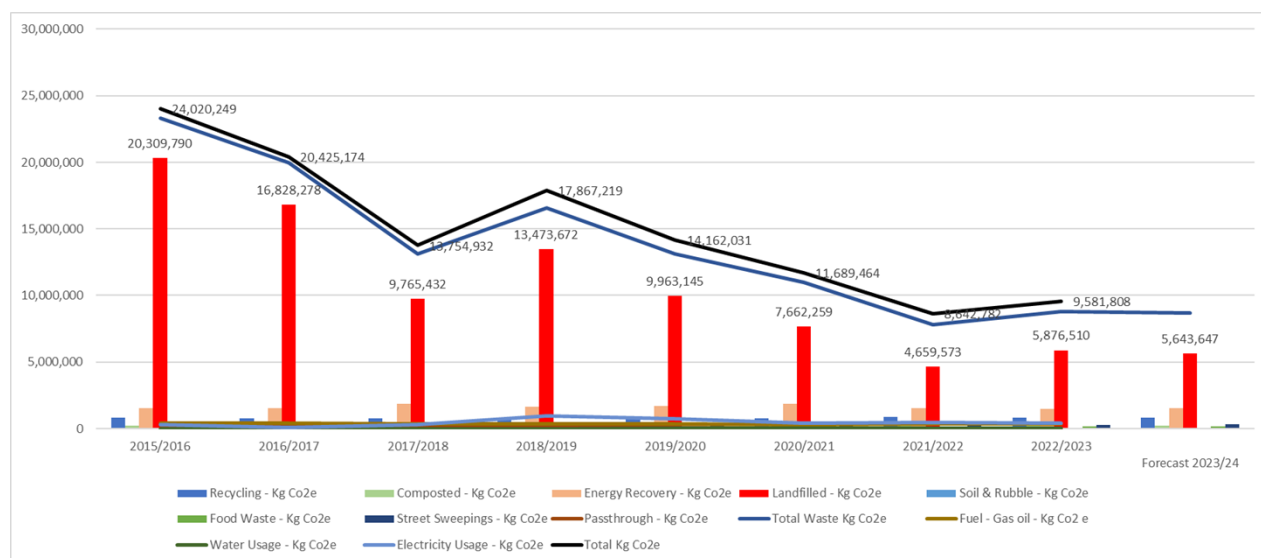
Review of HWRC Charges

- 5.23 Whilst Local Authorities are required to accept household waste without charge at their Recycling Centre facilities, there is no obligation to accept non-household waste. Construction and demolition waste is currently classed as industrial waste for the purposes of providing Recycling Centres and the re3 Councils have imposed a charge for receipt of hardcore, soil from landscaping activities, plasterboard, and asbestos since 2016.
- 5.24 As a result of generally increasing costs, Officers reviewed the prices being charged for disposal of non-household waste at the re3 Recycling Centres. The price charged to residents at the sites is non-profit-making and seeks only to cover the cost of handling and disposal. It was proposed that the price for soil and rubble should increase from £2.50 to £3.00, for each 25L unit. Members approved the recommendation at the meeting of the JWDB on the 15th June; thereby enabling full cost recovery and ensuring that the person benefitting from the works funds the cost. These amendments were implemented at the re3 Recycling Centres from the 4th of July.
- 5.25 On the 18th of June, the Government announced that they will amend the Controlled Waste Regulations 2012 to clarify the conditions under which construction waste should be treated as a household waste. The amendment will require that up to two 50L rubble bags of DIY waste, or one bulky item, be accepted for free at the recycling centres at a frequency of four visits per household over a four-week period. The aim is to make it easier and cheaper for people conducting home improvements to dispose of their waste, and to reduce fly-tipping.
- 5.26 A report by the Waste and Resources Action Programme (WRAP) on "The Relationship between Fly-tipping Rates and HWRC Charging", published in 2021, concluded that "Comparison of fly-tipping rates does not show that those local authorities that have introduced charges for some HWRC waste have higher fly-tipping rates than those without charges".

- 5.27 A precise date for the amendment has not been set, but Officers understand that it is expected later this year.
- 5.28 Potential options at the re3 Recycling Centres could include removal of all charges only charging where residents bring more waste than the two bag limit in a single trip, or implementing a monitoring system to enable all applicable charges to be made. Other considerations could include expanding the list of chargeable 'DIY' items at the re3 sites or to find ways to reduce the likelihood of any influx of trade waste at the recycling centres caused by acceptance of more waste for free.
- 5.29 Officers will research the options available and report to Members at the meeting in January.

Climate Change Reporting

- 5.30 Following the last JWDB meeting the re3 Principle Finance Officer and Marketing and Communications Officer, met with the Officers responsible for climate change reporting at each of the Councils. The purpose of these meeting was to introduce the Officers to the work carried out by re3 and ascertain whether the calculations were in line with general practice within the Councils. The calculations were well received and all three of the councils confirmed that they would utilise the figures.
- 5.31 This exercise did however bring to light the fact that the government Co2 emission tables for waste disposal include the transportation of the waste. The Offtaker mileage and the Co2 e from the fuel used by FCC transport, should therefore be excluded from the totals, although they will still be monitored.
- 5.32 Below is an updated graph of the Co2 emissions to March 2023 and a forecast of the Co2 emissions for FY23/24.



- 5.33 The impact of sending waste to Landfill compared to EFW was of significant interest to Council officers. That is not surprising, given that 1 tonne of Landfill waste is equivalent to 446.24 Kg Co2e, where as a tonne of waste set to EFW is 21.29 Kg Co2e.
- 5.34 Although landfill has been reducing and EFW increasing over the period shown, the re3 partnership is now in a position where landfill is unlikely to reduce further without some form of service change and/or potential investment. The introduction of food waste by the re3 councils between 2019 and 2021 saw residual waste collections fall

considerably, and it is now only residual waste that is not suitable for EFW disposal that is sent to Landfill.

- 5.35 It is acknowledged that some bulky items such as mattresses and carpets could be sent for further processing and then shredded, however this would require investment.
- 5.36 Although Landfill is the most significant factor contributing to Co2 emissions, maximising recycling through existing services, and reuse remain important opportunities for the councils in the road to Net Zero and the circular economy.

User Satisfaction Survey

- 5.37 A user satisfaction survey is usually undertaken in relation to the Recycling Centre services each autumn. This is an opportunity for the re3 Partnership to identify areas of improvement over the last year, as well as areas for further development in the coming one. Officers can therefore confirm that preparation for the 2023 survey will commence over the next few weeks.
- 5.38 The survey will once again be conducted online (as it has been for the last few years); with invites to participate being sent out to recent visitors through the booking system. The questions are expected to remain broadly the same as used last year, in order to provide a good level of comparison with previous data.
- 5.39 At the JWDB meeting in March, Officers presented a table of proposed actions, designed to address some of the feedback received during the 2022 survey. Completed actions include a refresh of site signage, addition of a new coffee pod recycling service, a review of bookable slot numbers and an update to the re3 website (to make the booking form easier to find).

re3 Strategic Principles

- 5.40 At present, whilst awaiting significant details on the scope and scale of the requirements under the Environment Act 2021, it is difficult for the councils to plan strategically, to prepare for service transition and to continue developing new services.
- 5.41 To support officers and decision makers, the re3 Project Director proposed a series of strategic principles, at the re3 Board meeting on 15th June 2023.
- 5.42 The strategic principles are not designed to represent a policy commitment, nor to form the basis for any decision-making. Any decisions, associated with service development and contract transition, will either be self-contained (with an appropriate formal justification and process), be based on an existing formal council policy or be taken after a formal strategy is in place. The principles are solely intended to represent an acceptable reference guide, that can be followed whilst initial preparation is undertaken, and the status of the Environment Act 2021 is clarified.
- 5.43 Feedback from Members indicated that some amendments were needed. These are included in the list below, with edits in bold type, reflecting the requests to: (i) specifically mention climate change and net zero, (ii) to place a specific emphasis on waste reduction, (iii) to consider any potential contradiction between financial value and social value, and (iv) to specify meaningful social value.
- 5.44 Strategic Principles:
 - a) Delivering, corporately sustainable, legislative compliance.

- b) Delivering, and encouraging, efficiency in service provision, across waste management (collection and disposal).
- c) Seeking genuine engagement with all re3 residents, to support them and reinforce their personal agency and good citizenship.
- d) **Supporting climate-change targets (delivery and maintenance of net zero) via** prioritising greenhouse gas (GHG) reduction.
- e) Preferring systems which **encourage and facilitate waste reduction** and increase the circular economy.
- f) Prioritising the retention of financial value in the re3 area, alongside quantified **and corporately purposeful and measured** Social Value.
- g) Working in partnership and providing sector leadership.

5.45 Officers amended point (d) to specifically mention climate change and net zero, alongside the prioritisation of reductions in greenhouse gas emissions via related activities. Officers also amended (e) to reflect the specific requirement for waste reduction. Officers considered significant amendments to address the points about social value, at (f). The priority of retaining financial value within the re3 area is a key, existing, alignment with social value. Social value is measured in financial terms, to provide for comparability and to reflect the supplementary benefits from directing expenditure on a more local basis. This strategic principle has been simplified and added text reflects the expectation that prevailing corporate imperatives should be recognised.

6 **ADVICE RECEIVED FROM ADMINISTERING AUTHORITY**

Head of Legal Services

6.1 None for this report.

Corporate Finance Business Partner

6.2 None for this report.

Equalities Impact Assessment

6.3 None.

Strategic Risk Management Issues

6.4 None

Climate Impact Assessment

6.5 None.

7 **CONSULTATION**

Principal Groups Consulted

Not applicable.

7.2 Method of Consultation

Not applicable.

7.3 Representations Received

Not applicable.

Background Papers

JWDB Reports - June 2023

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