

From: Roger Gough, Leader of the Council
Simon Jones, Corporate Director Growth Environment and Transport

To: Environment & Transport Cabinet Committee 11th January 2024

Subject: Extension of Waste Recycling Payments to Collection Authorities

Key Decision: 23/00123

Classification: **Unrestricted**

Past Pathway of report: N/A

Future Pathway of report: For Cabinet Member Decision

Electoral Division: Gravesham, Swale, Maidstone & Ashford electoral divisions, twenty-eight local Member/s affected.

Summary: It is proposed to extend the existing agreements to make enabling payments to Gravesham, Swale, Maidstone & Ashford Borough provided by Kent County Council to support and maintain service improvements in levels of recycling, which minimises cost to the County as the statutory Waste Disposal Authority.

Recommendation(s):

The Cabinet Committee is asked to consider and endorse or make recommendations to the Leader of the Council on the proposed decision to:

APPROVE the existing agreements to make enabling payments to Gravesham, Swale, Maidstone & Ashford Borough provided by Kent County Council to support and maintain service improvements in levels of recycling limited to a maximum of two years;

DELEGATE to the Director for Environment and Circular Economy in consultation with the Leader to take other actions, including but not limited to entering into contracts or other legal agreements, as required to implement the decision and

AGREE For the Director for Environment and Circular Economy to bring new policy arrangements to this Committee within two years, should new legislation be implemented as planned by DEFRA;

as shown at Appendix A.

1. Introduction

1.1 KCC Waste Management operates in a two-tier system. KCC is the statutory Waste Disposal Authority (WDA), responsible for the receipt at Waste Transfer Stations (WTSS) and onward processing / disposal of household waste which is collected by the District and Borough councils as the Waste Collection Authorities (WCAs). KCC also has the statutory responsibility to provide an HWRC service to residents.

- 1.2 There are Inter Authority Agreements in place with the Waste Collection Authorities, which include financial reward to support and maintain levels of recycling performance for household materials collected at the kerbside. This minimises cost to KCC as the WDA, as levels of residual waste reduce, resulting in less expenditure at the Allington Energy from Waste plant.
- 1.3 The Mid Kent Waste Partnership covers Swale, Maidstone & Ashford Borough Councils and this agreement ends on 21st April 2024. The Gravesham Borough Council Inter Authority Agreement ends on 31st March 2024.
- 1.4 These agreements accord with the consistent policy approach discussed at Cabinet Committee on the 31st May 2018, and agreed by the Deputy Cabinet Member for Environment, that Waste Partnership Agreements with Collection Authorities should include a financial reward as described above.
- 1.5 Existing agreements also remain with Dover & Folkestone and Hythe District Councils, Canterbury City Council, Tonbridge, and Tunbridge Wells Borough Councils.
- 1.6 These Authorities all provide comprehensive waste collection services designed to improve levels of household recycling.,

2. New legislative arrangements

- 2.1 It is important to note that these arrangements will be superseded by fundamental legislative changes planned to be introduced as part of the Resources and Waste strategy which is integral to delivering the targets within the Environment Act 2021.
- 2.2 Government waste recycling targets are that 55% should be recycled by 2025, 60% to be recycled by 2030 and 65% by 2035. Across all Authorities the average recycling rate is 43%. Last year the highest achieving collection authority achieved 51% recycling and the lowest 24%.
- 2.3 New legislation is for implementation by Government in 2025/26, this will mandate all waste collection authorities to collect kerbside waste materials with consistency across England. This is known as Simpler Recycling and will include a weekly separate food waste collection with a requirement to collect glass, cans, plastics, and paper & card – with a continuation of chargeable garden waste and, of course, residual waste. Over time further materials will be included for recycling such as film and flexible plastics.
- 2.4 Further to this, additional legislative regulations will introduce new funding streams in 2025/26 for both collection and disposal authorities who process packaging materials. Known as packaging extended producer responsibility, manufacturers will ultimately have to fund the burdens of producing packaging that is recyclable and can be reused – also known as the circular economy.
- 2.5 Payments will be made to local authorities for the collection of waste packaging materials. DEFRA's appointed scheme administrator will fund WCAs directly, based upon the efficiency and effectiveness of their collection service, with demographic factors also accounted for.

- 2.6 With this fundamental new legislation, to be introduced in 2025/26, it is proposed that, with the benefits of these new regulations, the County reviews its policy decision to consider how support payments will operate in the future to all WCAs.
- 2.7 It is for this purpose that the maximum two-year is proposed to extend these current arrangements.

3. The current agreement

- 3.1 The Mid Kent Authorities receive fixed enabling payments which it is proposed remain for up to two years, these payments were agreed in 2012 and represent the contribution from the Disposal Authority to support the preferred collection method.
- 3.2 Gravesham Borough Council has an Inter Authority Agreement where the payments are varied in line with their actual recycling performance. Through improvements in the collection of recycling, the savings benefits are equally shared between both Collection & Disposal Authorities. They will reflect 50% of the net saving to KCC. These payments will be calculated on the actual reduction of residual waste (waste that is not recycled) against the agreed baseline. These payments were agreed by this Committee in January 2016.

4. Performance of existing Agreements

- 4.1 The enabling payments provided by KCC have supported service improvements delivering significant performance improvements across the three Mid Kent Authorities. Maidstone was the first to introduce the weekly food waste collections which increased recycling from 30% to over 50%. Ashford previously had one of the lowest recycling rates in the Country (12%), however, now has the highest rate in Kent (53%) supported by substantial investment from both the Borough and County Council. Swale has consistently increased its recycling performance rising from 32% in 2013/14 to 40% in 2022-23. Swale is continuing to implement new weekly food waste and fortnightly refuse collections in hard-to-reach communities and additional properties which is expected to further improve recycling levels.
- 4.2 The Mid Kent Authorities have committed to further significant investment in their recycling services with the new contract starting in March 2024. Borough Councils are focused on delivering continuous improvement in performance. All authorities have also invested in tackling contamination issues including communication campaigns, targeted engagement, and where necessary enforcement. The new contract will also fund a Special Projects Officer and Mid Kent Contract Officer who will ensure the partnership works collaboratively to drive up performance, improve reuse through a partnership with Demelza and bring new recycling roadshows to the heart of communities.
- 4.3 Gravesham Borough Council have similarly seen performance improvements from 25% before their improvements were made, up to 40% last year, again this Authority is actively considering further improvement to increase recycling levels.

5. Financial Implications

- 5.1 The payments below are within the budgeted expenditure and will be reviewed when the new funding streams are introduced because of new legislation as described above.

Gravesham BC	£400,000 per annum
Ashford BC	£272,000 per annum
Maidstone BC	£333,900 per annum
Swale BC	£297,900 per annum

- 5.2 The budget assumes that levels of recycling performance is maintained.

6. Legal implications

- 6.1 The requirement of the Environmental Protection Act 1990 S.45a requires that these agreements should be renewed as all Collection Authorities still provide waste collection services that are more comprehensive than the required two types of separate recycling as per the EPA 1990.
- 6.2 The Environmental Protection (Waste Recycling Payments) Regulations 2006 requires that the payments to be made by a WDA under section 52(1) or (3) of the EPA shall consist of such amounts representing the authority's net saving of expenditure on the disposal of the waste as are determined in accordance with these Regulations.

7. Equalities implications

- 7.1 An Equality Impact Assessment has been carried out and as this is not a public facing service there is no potential for discrimination, this is a business-to-business proposal.

8. Conclusions

- 8.1 The County Council is intending to promote and support collection authorities to increase levels of kerbside recycling, to support improving environmental outcomes, to meet resident expectation that also serve to reduce waste disposal costs. Officer recommendation is to continue to work in partnership by extending the current agreements for up to two years and, if the new legislation and new funding streams are identified before this time, the Director for Environment and Circular Economy will bring new policy arrangement back to this committee.

9. Recommendation(s):

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AGREE For the Director for Environment and Circular Economy to bring new policy arrangements to this Committee within two years, should new legislation be implemented as planned by DEFRA;

as shown at Appendix A.

10. Appendices

- Appendix A – Proposed Record of Decision
- Appendix B – Equality Impact Assessment

11. Contact details

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