



Title of report: Food Waste Collection Service

Meeting:	Cabinet
Meeting date:	Thursday 1 May 2025
Cabinet member:	Cabinet member, environment
Report by:	Corporate Director, Economy and Environment
Report author:	Head of Environment Climate Emergency and Waste Services

Classification

Appendix 1 to this report is exempt by virtue of the paragraph(s) of the Access to Information Procedure Rules set out in the constitution pursuant to Schedule 12A of the Local Government Act 1972, as amended.

Information relating to the financial or business affairs of any particular person (including the authority holding that information)

Decision type

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Wards affected

(All Wards);

Purpose

Following the successful award and mobilisation of the new recyclables and waste collection service this report is to consider the business case for the introduction of a new food waste collection service.

Recommendation(s)

That conditional on sufficient annual new burdens revenue grant received from government that:

- a) **Cabinet approves the commencement of a new food waste collection;**
- b) **Authority is delegated to the Corporate Director for Economy and Environment to enact the existing option to introduce a weekly food waste service within the recyclables and waste collection contract with FCC Environment for an initial term of 6 years, including options to extend by up to a further 12 years;**
- c) **Authority is delegated to the Corporate Director for Economy and Environment to enact the existing variation option to within the current waste disposal contract with Mercia Waste Management Ltd to recycle the food waste;**
- d) **To authorise the expenditure as detailed in Appendix 1 to purchase the new food waste collection fleet and to purchase and deliver the new food containers and caddy liners;**
- e) **To authorise the expenditure as detailed in Appendix 1 for the required depot improvements works and to mobilise the new service;**
- f) **Delegate all operational decisions to implement the above recommendations and to undertake the annual review of commercial food waste fees and charges to the Head of Environment, Climate Emergency & Waste.**

Alternative options

1. Do nothing - This is not an option as the Council has a statutory duty under the Environment Act 2021 to provide a weekly food waste collection service from households and to recycle food waste from 31 March 2026.
2. Do nothing – This is not an option as the Council has a new responsibility under the updated [Simpler Recycling guidance November 2024](#) to provide a food waste collection service for some businesses, if requested, from 31 March 2025.

Key considerations

Background

3. In July 2021 Cabinet approved an ambitious new Herefordshire Integrated Waste Management Strategy with new targets to achieve recycling rates of 55% by 2025, 60% by 2030 and 65% by 2035. The current recycling rate is 40%.
4. On 25 November 2021, Cabinet approved the adoption of a three weekly residual collections with twin stream recycling service in line with the outcome of a public consultation.
5. Between November 2022 and February 2024 the Council conducted a competitive dialogue procurement process for a new recyclables and waste collections services contract.
6. During this process, initial submissions highlighted significant cost escalation due to a number of compounding market factors and Government delays to implementing and resourcing the new obligations within the Environment Act 2021. In order to mitigate the significant cost escalation, the proposed solution was to phase the introduction of the new service.

7. On 5 October 2023, Cabinet approved the continuation of the existing waste collection model and for a phased introduction of the new collection model to be introduced at the appropriate time, subject to funding, legal responsibilities and approved business case(s).
8. FCC Environment were successfully awarded the new contract which commenced on 1 September 2024 with an initial 8 year term with an option to extend by up to a further 12 years.
9. The new collection contract includes a robust change mechanism for the future inclusion of numerous new services, specifically including a costed option for a weekly food waste collection service.
10. In December 2023 the Council extended the Waste Management Services Contract (WMSC). This extended the existing disposal contract arrangements until 11 January 2029 and also included a number of variation options for the future processing of new recycling and composted materials. This specifically included a costed options for the composting of food waste utilising an existing Anaerobic Digestion plant in Dymock.

Public Consultation

11. In February 2021 MEL Research undertook a public consultation exercise on future waste collection models which reported that 56% of the 3,498 respondents indicated that they would use a domestic food waste collection service, with a further 20% of respondents replying 'maybe'.
12. Twinned with the public consultation, MEL Research also undertook a business waste survey in February 2021 where 70% of the 181 business respondents confirmed they and/or other members of their business would be likely to use a food waste collection service if it was available and affordable.
13. In January 2025 the Council undertook a subsequent business food waste survey which indicated of the 340 responses, 146 are required to have a separate food collection from 31 March 2025 and would use our service. A further 193 are not required to have a separate food collection but 25 indicated that they would use the service.

New Pilot Commercial Food Waste Service

14. In November 2024 DEFRA published updated requirements for commercial food waste collections confirming that businesses with over 10 employees would be required to separate and arrange collection of food waste. This update also required all local authorities to provide a collection service if asked to do so. Prior to this date local authorities had the option to signpost rather than provide services directly.
15. To meet this new requirement a new interim commercial food waste service commenced in March 2025 as a new chargeable service on a full cost recovery basis. This 12-month interim service will be subsumed into the new countywide arrangements with co-collection with the domestic food waste service from 30th March 2026 to increase operational efficiency.

New Food Waste Service

16. The business case includes consideration of the mobilisation, promotional and set-up costs, required capital investment and the ongoing service delivery costs, both collection and disposal. This is summarised in the financial impact section of this report.
17. The proposed new food waste service will include:
 - a. Purchase of new food waste containers

- i. A small food waste caddy for residents to use in the kitchen
 - ii. Provision of compostable caddy liners
 - iii. A larger outside caddy to use for collection
- b. Acquisition of a dedicated new food waste collection fleet.
- c. Depot improvements at the Waste Collection depots to facilitate the vehicle fleet and additional staffing requirements.

Mobilisation

- 18. FCC Environment require a 10 month mobilisation period for the commencement of the new food waste service, which is required to commence by 31 March 2026.
- 19. The business case includes resource allocation for:
 - a. Project management and staffing
 - b. ICT, legal and training provision
 - c. Communication and promotional resources
- 20. A dedicated communications and promotional campaign will be developed and launched prior to the new service commencement date in order to raise awareness of the new service and encourage participation, whilst also educating residents on the items that can be diverted from their general rubbish bin and recycled through the new service.

Community impact

- 21. A comprehensive marketing and communications strategy is being developed to continue to support residents in making good reduce, reuse and recycle choices to drive recycling to even higher levels, and to support the mobilisation of the new service.
- 22. The new food waste collection service will have a positive impact on contributing towards local and regional strategy priorities, targets and legislation. These all are complementary to The Council Plan 2024 – 2028 objectives to:
 - a. Reduce waste, increase reuse and increase recycling.
 - b. Work towards reducing county and council carbon emissions, aiming for net zero by 2030/31 and work with partners and communities to make the county more resilient to the effects of climate change.
- 23. The new waste collection contract includes significant social value commitments to support volunteering within the County, to support care leavers into employment and to support local employment.

Environmental Impact

- 24. The council seeks to treat waste as a resource, supporting a more circular economy for Herefordshire reducing, reusing and recycling materials so that they stay in use for longer, offsetting use of raw materials and reducing carbon emissions.
- 25. Environmental sustainability was an integral consideration to the service specification for the new collection contract which includes contractual commitments to minimise energy use and

carbon emissions, two new electric collection vehicles for the residual and dry recycling services and the creation of a new biodiversity investment fund.

26. The modelling undertaken by Frith Resource Management (FRM) indicates that with a modest 45% public participation rate the new food collection service will divert 5,311 tonnes of residual waste from energy recovery to recycling via anaerobic digestion.
27. This will significantly increase the Council's recycling rate and combined with the accompanying proposal to introduce a chargeable garden waste service are projected to increase recycling rates from 40% to 58%.

Equality duty

28. The Public Sector Equality Duty requires the Council to consider how it can positively contribute to the advancement of equality and good relations, and demonstrate that it is paying 'due regard' in our decision making in the design of policies and in the delivery of services.
29. The previous cabinet decisions to approve the new contract and collection model were considered in line with the council's Equality Act 2010 duties and an extensive public consultation exercise was undertaken.
30. No new impacts have been identified beyond those identified in the 25 November 2021 Cabinet report and Equalities Impact Assessment.

- a. <https://councillors.herefordshire.gov.uk/ielIssueDetails.aspx?IId=50039497&PlanId=0&Otp=3#A159562>

Resource implications

31. On 10 February 2023 Full Council approved the inclusion of £18.09m within the Council's capital programme for the provision of new vehicles, new receptacles, depot enhancement and service improvement.
32. On 9 January 2024 DEFRA wrote to all local authorities providing indicative capital transitional grant for the introduction of weekly domestic food waste collections. This allocation was confirmed as £1,847,132 for Herefordshire. This money has already been received and is detailed below.

Kitchen caddies (inc spares)	£186,276
Kerbside caddies (inc spares)	£405,609
Communal wheeled bins (inc spares)	£27,647
Vehicles (inc spares)	£1,227,600
Total	£1,847,132

33. The capital allocation from DEFRA is only for the domestic food waste collections and does not include contributions towards commercial food waste collections as commercial services will need to operate on a full cost recovery basis. As the DEFRA capital allocation model was based on 2023 costs there will be a gap between the capital allocation and the actual costs in 2026. The Council did challenge the capital allocation, however this was unsuccessful.
34. On 5th March 2025 DEFRA confirmed the revenue transition payment to support with the mobilisation of this new service. This will be partially paid in 2024/25 with the remaining paid in 2025/26. This is detailed below:

2024/25		2025/26		
Container Delivery	Project Management	Procurement	Communications	Total
£302,475	£67,000	£2,000	£160,305	£531,780

35. On 5th March DEFRA confirmed that the annual revenue allocation for the introduction of weekly domestic food waste collections under the new burdens doctrine will be confirmed after completion of a further spending review. This next spending review is expected to conclude and be published in late spring of 2025
36. The estimated financial saving of diverting the domestic food waste from energy recovery to recycling by anaerobic digestion is £621k per annum.
37. Further details on the full costs of implication and the required level of new burdens revenue grant is detailed in the exempt Appendix 1.

Legal implications

38. The new waste collection contract was developed with external specialist legal and procurement support to include the future options for the proposed additional collection service and was procured in accordance with the Council's Procurement Rules and the Public Contract Regulations 2015.
39. The waste disposal extension in Dec 2023 was undertaken in line with the Council's Procurement Rules and Regulation 72 of the Public Contracts Regulations. This extension includes the provision for the future inclusion of garden waste disposal through a variation agreement.
40. The Council currently has a statutory duty to introduce weekly food waste collections from 31st March 2026. This date statutory under the act but implementation is subject to adequate funding being received from government.

Risk management

Risk / opportunity	Mitigation
Sufficient new burdens funding from DEFRA	<p>Confirmation of the annual new burdens revenue grant is required to fund the new service.</p> <p>The recommendation for approving the commencement of this new service is subject to confirmatoin of sufficient new burdens revenue grant.</p>
Public engagement and successful roll out of the new service	<p>Public consultation exercises identified that:</p> <ul style="list-style-type: none"> • 86% of residents agreed that more needs to be done to reduce waste and to increase recycling • 60% of residents accept the need for the council to change the current service • Pilot schemes have been successfully launched, providing valuable insights and lessons for full implementation. • Communication and engagement campaigns are in place and will continue to run to support residents with ongoing information and changes.
Value for Money	<ul style="list-style-type: none"> • The procurement of the new waste collection contract, including the optional food waste service, was conducted with the support of specialist technical and legal consultants to ensure best value for money. • Competitive procurement processes and robust contract management arrangements are in place to secure cost-effective service delivery.

41. The risks associated with the introduction of the food waste collection service have been identified, assessed, and mitigated in line with the council's risk management strategy.

Consultees

42. The following consultation has taken place:

Consultation	Date	Feedback
Public Consultation	February 2021	49% of the 3,498 respondents indicated that they would pay for a council garden waste collection service.
Business Waste Survey	February 2025	340 responses, 146 are required to have a separate food collection from 31 March 2025 and would use our service. A further 193 are not required to have a separate food collection but about 25 indicated that they would use the service.
Waste Management Services Review Project Board	Monthly meetings in	Lead the development of the recommendations through the process.

<p>Political Groups Consultation</p>	<p>22nd April 2025</p>	<p>The consultation was attended by 14 councillors from across the Conservative Party, Green Party, Independents for Herefordshire and Liberal Democrats groups.</p> <p>The following discussion/feedback was noted:</p> <ul style="list-style-type: none"> • Positive support for the proposal. • The current pricing of commercial services incentivises food waste and recycling over residual waste. • Noted the availability of the assisted collection service to support vulnerable residents. • Support for the provision of compostable liners and to review whether this can be retained in future years. • The need for education and promotional campaigns to maximise uptake of the services, • Noted that the services are in addition to and not impacting the existing collection services or HRC's. • That the waste disposal for food waste is via anaerobic digestion with contractual restrictions that the digestate cannot be used in the River Wye catchment area.
--------------------------------------	-----------------------------------	--

Appendices

- Exempt Appendix 1 – Financial details

Background papers

- None

Report Reviewers Used for appraising this report:

<p>Governance</p>	<p>John Coleman</p>	<p>Date 26/02/2025</p>

Finance	Wendy Pickering Karen Morris	Date 24/04/2025 Date 24/04/2025
Legal	Sean O'Connor	Date 24/04/2025
Communications	Luenne Featherstone	Date 25/02/2025
Equality Duty	Harriet Yellin	Date 20/03/2025
Procurement	Claire Powell	Date 20/03/2025
Risk	Paige McInerney	Date 05/03/2025

Approved by	Ross Cook	Date 24/04/2025
-------------	-----------	-----------------