

**COUNCIL**  
**23 NOVEMBER 2017**

**\*PART 1 – PUBLIC DOCUMENT**

**AGENDA ITEM No.**

**8**

**TITLE OF REPORT: CAPITAL PROPOSAL TO PURCHASE FOOD WASTE CADDIES**

JOINT REPORT OF THE HEAD OF LEISURE AND ENVIRONMENTAL SERVICES AND  
HEAD OF FINANCE, PERFORMANCE AND ASSET MANAGEMENT  
EXECUTIVE MEMBERS: COUNCILLOR MICHAEL WEEKS AND COUNCILLOR JULIAN  
CUNNINGHAM  
COUNCIL PRIORITY: ATTRACTIVE AND THRIVING/ RESPONSIVE AND EFFICIENT

**1. EXECUTIVE SUMMARY**

- 1.1. This report seeks agreement from Council to add £132k to the Capital Programme for the purchase of food waste caddies. The purchase of 23 Litre plastic caddies is the most cost effective way of providing a weekly food waste collection.

**2. RECOMMENDATIONS**

- 2.1 That Council agrees that **£132k** is added to the Council's Capital Programme for the purchase of food waste caddies.

**3. REASONS FOR RECOMMENDATIONS**

- 3.1 At their meeting on 16<sup>th</sup> October 2017, Cabinet resolved to introduce a weekly food waste collection service. Providing each household with a plastic caddy is the most cost effective way of providing this service.
- 3.2 23 litre plastic caddies are used across the Country and are a tried and tested solution for the collection of food waste.
- 3.3 Food waste is currently collected in 23 litre plastic caddies from a number of properties in North Hertfordshire where they do not have space to store the larger 240 litre mixed food and garden waste bin (mainly flats).

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1 The alternative is to provide each household with a weekly paper sack to put their food waste in to. Whilst there is no up-front capital cost for this option, the long-term costs would be higher. Year one costs estimated at circa £206k with subsequent years £120k per annum. The service would be restrictive with some residents not wishing to use the paper sacks and participation would therefore be lower. Communication campaigns would require residents only to place paper sacks out for collection in a dry location to

prevent them splitting when lifted. Paper sacks could get saturated if stored with food waste for a prolonged period or ripped and opened by wildlife which could lead to food waste falling out of the sack and on to the street with the potential for additional street cleansing costs. Paper is also considered a contaminant in the composting stream and this therefore may impact on the payment received from the Alternative Financial Model (AFM). The current specification in the contract for food waste collection is based on the use of caddies and additional costs may accrue with paper sacks. This option is therefore not recommended.

- 4.2 The Environmental Protection Act 1990 allows for Councils to charge residents for the provision of containers. This is not common practice and officers are not aware of this legislation having been used at the start of a new food waste collection service, this is therefore not recommended.
- 4.3 The Environmental Protection Act 1990 allows for Councils to require residents to provide their own receptacle in order to receive a collection service. This is not common practice in other Councils, other than for materials which are suitably contained within sacks (e.g. NHDC's textile collection service requires residents to place bags out in a see through sack which the resident provides). In addition the nature of food waste means that suitable containers would need to be specified by the Council to ensure collection crews are not adversely impacted by the container chosen. Suitable containers although available are not common in DIY stores or supermarkets and where they are available they are at considerably higher costs than the Council can procure them for. Therefore this option is not recommended.
- 4.4 The contract that has now been awarded is for weekly food collection. Aside from the options above, there is no other way for the food waste to be collected as a recycling material.

## **5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

- 5.1 Hertfordshire County Council have been consulted on the decision to collect food waste.
- 5.2 Environmental Health has been consulted on the proposal to collect food waste and have recommended the use of the 23L caddy over sacks on environmental and public health grounds as they are significantly more resistant to penetration from vermin such as rats and mice, help reduce the release of nuisance odours, and access by flies.

## **6. FORWARD PLAN**

- 6.1 This report is linked to the award of the joint waste contract, which was first notified to the public in the Forward Plan on the 5<sup>th</sup> May 2017.

## **7. BACKGROUND**

- 7.1 At their meeting on 16th October 2017, Cabinet resolved to introduce a weekly food waste collection service. Providing each household with a plastic caddy is the most cost effective way of providing this service. Cabinet further resolved "that, unless alternative sources of funding for this purpose can be identified, £125,000 be added to the capital programme for the purchase of food waste caddies that will allow the weekly collection of food waste". The Cabinet recommendation was based on a purchase price for each caddy of £2.50. Following a more detailed review of the procurement options available, it has been determined that the best price is likely to be £2.59 per caddy

based on current framework options available to the Council. This is the reason for the small increase in the capital allocation requested.

- 7.2 The current kitchen caddies provided to households are 7 litres in size. These larger caddies (23 litres) are designed to be kept outside.

## **8. RELEVANT CONSIDERATIONS**

- 8.1 Providing each household with a food waste caddy is the most cost effective way of providing a weekly food waste service. It is also the most efficient way of providing the service and minimises the risk of any spillages.
- 8.2 The caddies can be purchased under a framework contract at a rate of £2.59 each, which equates to a total cost of around £132k for the 51,000 households that would need to be provided with one. There would also be an up-front (revenue) cost for delivering the caddies to the households of around £1 per caddy. Both of these costs were considered by Cabinet in determining whether to introduce this service. The expected life of the food caddies is 7 years and whilst there would be a requirement for some replacements due to loss or damage, past experience has shown that this is likely to be very low. A 1% replacement rate would equate to a revenue cost of around £2k per year (including the caddy and delivery), or around £14k over a 7 year period.
- 8.3 The alternative would be to provide each household with a paper sack on a weekly basis.
- 8.4 The cost to purchase an initial starter pack of 10 paper sacks per household is estimated at £114k based on prices available on a current procurement framework contract. Replacements for these are then required following week 10 of the service. If replacements are made on a per use basis, when participation rates are considered, the additional annual cost in year one would be approximately £92k. Subsequent year replacements costs, also based on similar participation, would be circa £118k or a cost of £914k over 7 years.
- 8.6 As well as being more expensive, the paper sacks will not be as resilient. Whilst they will be made to 'wet strength' specification, a combination of wet food waste and rainy conditions could lead to them splitting particularly where they have remained wet for a few days prior to collection. They may also be susceptible to vermin trying to get to the food inside. Residents are likely to be reluctant to store sacks of food waste inside their house prior to collection and if residents feel that this likely to cause a mess near their house then they may not use the sacks, which could have a detrimental impact on the participation rates and Council's recycling rates, for this reason a lower participation rate, than for plastic caddies has been used to calculate anticipated on going revenue costs.
- 8.7 Charging residents for plastic caddies would also discourage participation impacting on the recycling rate and consequently AFM payments. In addition, there would be significant administrative and customer service revenue costs associated with introducing a charge for these small containers which is likely to be higher than the cost of the container itself. Delivery costs of containers on an ad-hoc basis is also higher with a greater impact on revenue budgets than a one off delivery of plastic caddies.

8.8 Any food waste which ends up in the residual (purple) bins as a consequence of not providing plastic caddies will have a negative impact on the 'whole system costs' of providing waste collection and the costs to Hertfordshire County Council. This in turn will likely negatively impact on the payments made by them to NHDC through the AFM.

## **9. LEGAL IMPLICATIONS**

9.1 The decision to implement weekly food waste collections was a Cabinet decision. Full Council is responsible for the overall capital budget and changes made to it. Under the Financial Regulations "authority from the Council is required for expenditure to be incurred on any items not included in the approved capital programme".

## **10. FINANCIAL IMPLICATIONS**

10.1 These are covered in section 8. The revenue implications of purchasing food caddies would just relate to delivery and any replacements as a result of loss or damage. These replacements would be revenue expenditure, as the cost would be below the threshold for treating as capital expenditure.

10.2 The estimated capital cost of purchasing the food caddies is £132k. These would be purchased and delivered in advance of the service starting in May 2018.

## **11. RISK IMPLICATIONS**

11.1 There are no significant risk implications arising from this report. The option to purchase plastic food waste caddies is considered to be lower risk than the alternatives.

## **12. EQUALITIES IMPLICATIONS**

12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.2 Equalities impacts were considered by Cabinet in relation to the decision to implement weekly food waste collection and the equalities impact assessment will be reviewed as the details of the service provision are finalised. There are no equalities impacts arising from this decision.

## **13. SOCIAL VALUE IMPLICATIONS**

13.1 The Social Value Act and "go local" policy do not apply to this report.

## **14. HUMAN RESOURCE IMPLICATIONS**

14.1 None have been identified.

## **15. APPENDICES**

15.1 None.

**16. CONTACT OFFICERS**

- 16.1 Vaughan Watson, Head of Leisure and Environmental Services  
[vaughan.watson@north-herts.gov.uk](mailto:vaughan.watson@north-herts.gov.uk); ext 4641
- 16.2 Ian Couper, Head of Finance, Performance and Asset Management  
[ian.couper@north-herts.gov.uk](mailto:ian.couper@north-herts.gov.uk); ext 4642
- 16.3 Chloe Hipwood, Service Manager, Waste and Recycling  
[chloe.hipwood@north-herts.gov.uk](mailto:chloe.hipwood@north-herts.gov.uk), ext 4304

**17. BACKGROUND PAPERS**

- 17.1 Cabinet reports from meeting held on 16<sup>th</sup> October 2017.