



CABINET

Subject Heading:

Decision to implement domestic food waste collections, and delegate purchasing.

Cabinet Member:

Councillor Barry Mugglestone

ELT Lead:

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Policy context:

The introduction of a borough-wide separate food waste collection service will support the following goal within Havering's Climate Change Action Plan 2024-2027:
"To drive reductions in waste across the borough and accelerate a step change in rates of recycling."

Financial summary:

Havering has received just under £1.9m of new burdens funding from DEFRA via a Section 31 grant, leaving a shortfall of around £1.3m against the initial estimated cost of purchasing vehicles and containers of £3.2m. This deficit is currently being covered through capital borrowing, the cost of which is likely to be in the region of £0.2m per annum. Officers will continue to push DEFRA to increase the New Burdens funding offer with a view to reduce any capital borrowing required of Havering. Confirmation from DEFRA of further transitional (revenue) funding is expected shortly. Full year revenue costs are expected to be approximately £3.9m from year 2 onwards, with part year costs for year 1 at £2.5m.

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Is this a Key Decision?

Yes

When should this matter be reviewed?

January 2025

Reviewing OSC:

Environment Overview and Scrutiny Sub-Committee

The subject matter of this report deals with the following Council Objectives

People - Supporting our residents to stay safe and well

X Place - A great place to live, work and enjoy

Resources - Enabling a resident-focused and resilient Council

SUMMARY

1. The Environment Act 2021 requires all local authorities to implement weekly collections of food waste from all households by 1st April 2026. This decision report seeks approval for the rollout of food waste collections to residents, and delegate the procurement of vehicles, containers and equipment to deliver the service to the Director for Environment. This will reduce the potential for service delays as vehicle lead times are expected to increase as the year progresses, and will also allow the allocation of as-yet unconfirmed amounts of revenue funding. The service is also currently analysing the results of a customer survey, and this report will enable the results of that survey to feed into the service design and communications planning.
 - 1.1. The initial purchasing of vehicles, containers and equipment is expected to cost £3.2m based on current market rates, however, will be subject to appropriate procurement procedures. Havering Council has received £1.894m of capital funding from DEFRA, with Havering including capital funding of up to £4.650m to cover any shortfall. Officers continue to lobby DEFRA to plug the funding gap accordingly, and any unspent internal capital funds will be released if not needed.
 - 1.2. A contract variation will be required for the Council's waste contractor, FCC to deliver the service, which is anticipated to commence in October 2025 at a cost of £2.7m per annum. This decision also seeks approval for the Director of Environment to carry out all necessary contractual arrangements with FCC to complete the contract variation.
 - 1.2. Whilst the food waste service is a mandatory requirement on the Council to deliver, residents have been surveyed to understand any barriers to participating in the service, and how communications will be best received, with a summary provided in Appendix 8. The survey is based on proposals, laid out in Appendix 9.

RECOMMENDATIONS

2. Cabinet is recommended to:
 - 2.1. Agree the draft proposals (Appendix 9 and paragraph 4 below) to implement weekly household food waste collections to all domestic properties in Havering, commencing rollout from October 2025.
 - 2.2. To authorise delegation of capital spending and the commencement of a procurement process (at an estimated value of £3.2m) to the Director for Environment, to enable the purchase of vehicles, containers, and equipment. This will adhere to the relevant procurement rules as appropriate.

- 2.3. To authorise the Director of Environment to take all necessary steps to complete the contact variation with FCC for the delivery of the food waste collection service.
- 2.4. To delegate any further funding whether revenue or capital from DEFRA monies to the Director of Environment, in consultation with the Cabinet Member for Environment, Head of Finance and Director of Resources (s151).

REPORT DETAIL

3. Introduction

- 3.1. Under the Government's Collection and Packaging Reforms, all local authorities are required to provide a weekly separate collection of food waste from households by 1st April 2026. The food waste is then required to be sent for treatment via anaerobic digestion, further reducing the country's reliance on landfill, and ensuring that resources are maximised through treatments that draw value from waste. Under the New Burdens Doctrine, capital funding has been offered to waste collection authorities to facilitate the introduction or development of these services. Further revenue-based "resource transitional" funding is expected this financial year, whilst revenue funding is expected from 1st April 2026, although the figure for these elements has not been confirmed. Havering has so far received £1.894m of capital funding from DEFRA via a Section 31 grant, leaving a shortfall of £1.3m against the initial estimated cost of purchasing vehicles and containers of £3.2m, the balance of which is currently being covered through capital borrowing, which would incur a revenue impact of approximately £0.2m.
- 3.2. Havering is a waste collection authority and not directly responsible for the disposal of the waste it collects. This falls to the East London Waste Authority (ELWA), who, as Havering's statutory waste disposal authority, has the power of direction to instruct Havering and the other Constituent Councils on where and how to dispose of the materials they collect. ELWA's waste disposal and recycling sites are operated by their contractor Biffa, and currently Havering's "black bag" waste is processed through their Mechanical Biological Treatment (MBT) plant to allow items of calorific value to be extracted for use in industry, whilst dry recycling collected through Havering's orange sack service is sorted at a local Materials Recovery Facility for recycling. Those materials consist of paper, card, glass bottles/jars, plastic bottles and food containers, and metal food and drinks cans. Havering also collects clothes and shoes, batteries and small electricals, and used coffee pods, all for recycling. ELWA's contract with Biffa expires in 2027, and a procurement process is underway to determine how the region will deal with its household waste from that time, including separate food waste.

- 3.3. ELWA has a duty to ensure that the materials stated in the Environment Act have an end destination to enable their separate collection, and interim arrangements for disposal will be made with ELWA for constituent boroughs who will deliver food waste to Biffa.
- 3.4. Havering currently recycles or composts around 37% of its household waste (see cell BU 9 - Appendix 1. Q100), via a comprehensive kerbside dry recycling service, garden waste collections, and further provision at its network of “bring” sites, and Gerpins Lane Reuse and Recycling Centre. This figure is unlikely to increase further without additional interventions, with the separate collection of food waste being a key means of driving up recycling and composting rates and reducing black bag waste.
- 3.5. The compulsory introduction of separate food waste collections is a proven way to reduce overall household waste. In Havering, food waste accounts for over 40% of “black bag” waste from kerbside properties (29% in flatted properties) (see Appendix 2. Composition Analysis), and by residents potentially recognising the amount of food waste they produce, many may look to reduce this in a bid to be less wasteful, either for financial, environmental or ethical reasons.
- 3.6. Average participation in a food waste recycling service is between 35% and 55% according to WRAP (<https://www.wrap.ngo/sites/default/files/2024-02/WRAP-Household-Food-Waste-Collections-Guide-V17.pdf>) with participation from households in flats typically less than 30%. The provision of this service could increase Havering’s recycling rate by up to 10 percentage points, moving Havering from the lower quartile of performers nationally into the mid quartile (see Appendix 3. National League). Havering is currently in the top 10 recycling boroughs in London (Appendix 4. London League Table), and the introduction of food waste collections may help to increase this further. As all local authorities are required to provide a separate food waste collection, competition for higher positions in the league table will continue to be strong.
- 3.7. Havering pays into an annual Levy which funds Biffa’s waste processing activities, the cost of which is approximately £18m per year. The cost of the Levy is partially tonnage-based, and as a result, it is in Havering’s best interests to reduce the amount of waste it collects and delivers to Biffa as this will help reduce the cost of the levy paid. Furthermore, as the ELWA contract will change from 2027 onwards, there is a possibility of it bringing about a cost differential between residual waste and recycled / composted waste, which would mean that the more waste Havering recycles, the lower the disposal / reprocessing costs may be.
- 3.8. The service will continue to be complemented by other Havering initiatives, such as Love Food Hate Waste workshops, to help drive down household waste. These also help to support other areas of the council, such as the Healthy Weight Strategy and upcoming Food Strategy, by encouraging

healthy eating and smart shopping as well as use of leftovers which may help to address the issue of food poverty.

4. Proposal for Havering

4.1. It is proposed that a weekly collection of food waste be introduced in 2025-26, and provided to all households in Havering, with the service being rolled out to all kerbside properties in the winter of 2025-26, with communal flatted properties to follow from the spring of 2026.

4.2. The type of service provision will be determined by a borough wide ground survey of all residential properties. As this is a government-mandated service, all households will be provided with receptacles and information appropriate to their property type, to enable them to partake in the service.

4.3. The receptacle offering will be the following:

5 litre kitchen caddy*	All properties	
Roll of caddy liners delivered Annually**	All properties	
23 litre outdoor caddy with locking handle*	All properties with a kerbside waste collection	
240L bin in housing, with foot operated lid***	Flatted properties with communal waste collections	

* Exact designs and colours to be confirmed

** The type of liner is dependent on the composting solution provided by ELWA.

*** Where space is limited, wall-mounted or on-street bins may be considered.

4.4. The types of food waste residents will most likely be able to recycle will include:

- food scraps including eggshells
- cooked or raw meat and fish, including bones

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- bread, rice and pasta
- teabags and coffee grounds
- fruit and vegetables

The food waste service will not collect:

- garden waste
- plastic packaging

- 4.5. Capacity has been calculated using the average density of food waste. Residents will be asked to place the above food waste within their caddy (inside a liner), and once full, for the liner to be tied and deposited in their designated outdoor receptacle. For properties receiving a kerbside collection, this will be a 23-litre outdoor caddy, to be presented on a specified day at their property boundary.
- 4.6. For communal properties, the outdoor receptacle will be in the form of a designated secure bin, either free standing or attached to a wall, which will be emptied on a specified day by the food waste collection crew.
- 4.7. Flats above shops will be offered a service that reflects the individual property situation, examples which may include a wall-mounted bin, on-street secured bin, or rear-access collection. All communal blocks and flats above shops will be assessed accordingly to decide upon the best solution.
- 4.8. All households will be provided with guidance about how to use the food waste service and will also be provided with information on how they can look to reduce their food waste, or try home composting as an alternative way to deal with the waste they produce at home. Over a quarter of residents surveyed about the food waste service already compost at home. Havering is committed to reducing overall waste in the borough and will continue to deliver its ongoing Love Food Hate Waste campaign and to help support residents in this area.
- 4.9. To support households further, a variety of literature, social media posts, press releases, posters and in-person events will be delivered prior to and during the rollout phase of the project, with collection crews and customer service staff receiving training to ensure that they can support residents during this transition period.

5. Depot space

- 5.1. FCC Environment (previously Urbaser Ltd) have proposed that a separate fleet of 15 specialist vehicles be utilised for food waste collections. These will be integrated into the main waste collection operations at Central Depot on Rainham Road. The space is required to accommodate 13 new designated collection vehicles, and 2 electric supervisor vans. The expected cost for the depot alterations, covered within the capital allocation is in the region of

£0.150m, to include preparing an additional vehicle parking area, additional lighting, markings and electric vehicle charging points. The spend will be approved at Director level, with oversight from the Asset Management Team, Finance and the Leader Member for Environment.

6. Impact on Street cleansing

- 6.1. Havering Council currently operates a black sack collection service for household waste. Traditionally this has led to spillages in many parts of the borough due to wildlife tearing the bags that residents have presented for collection. A designated separate food waste collection, using containers complete with a locking mechanism, will help to mitigate the risk of these spillages continuing, reducing pressures on street cleansing and waste collection services, and improving Havering's street scene.

REASONS AND OPTIONS

7. Service options considered

- 7.1. The number of vehicles required to deliver the service has been calculated by modelling the likely volumes of separate food waste to be collected (see Appendix 5. Modelled Assumptions), reviewing the size of the borough and housing stock, and inputting this into tried and tested route optimisation software, operated by Havering's waste collection contractor, FCC. Designated vehicles will be deployed to collect the waste on a weekly basis, from commonly used receptacles as detailed above, with appropriate risk assessments in place for staff, and guidance provided to residents.
- 7.2. WRAP guidance (<https://www.wrap.ngo/sites/default/files/2024-02/WRAP-Household-Food-Waste-Collections-Guide-V17.pdf>) shows that on average, households produce approximately 1.47kg per week of food waste when provided with a designated collection. Performance is typically lower in blocks of flats with communal bins for a variety of reasons, including transience of residents, perceived ownership of the service, and poorer communication between residents. Based on current modelling assumptions, it is likely that Havering residents within kerbside properties, already producing higher-than-average amounts of waste, may well exceed this, producing up to 1.97kg of food waste per week. It is expected that properties with communal bins will produce substantially less than this, on average.
- 7.3. The final designs of receptacles will be decided through a standard procurement exercise (likely utilising a framework), as well as feedback from boroughs that use them. A public survey and engagement process, together with an equalities impact assessment will be utilised to understand where

residents may have additional needs, to then consider these accordingly, most likely through an assisted collection offering.

- 7.4. The type of caddy liner provided will be dependent upon the requirements placed on the borough by the reprocessing facility, and Havering awaits further information on this from ELWA.

8. Reasons for the decision:

- 8.1. The provision of weekly food waste collections is a statutory requirement, and Havering has an obligation to deliver this service by April 2026.

9. Other options considered:

- 9.1. **Seek an exemption to roll the service out post-2027:** This option was considered to allow for a transitional period between now, and the expiry of the current ELWA contract with Biffa. Havering, along with the other constituent councils, chose to proceed in line with the timescales laid out in the Environment Act 2021, as there was no evidence base to support a claim from the waste disposal contractor of a potential net cost increase within the existing waste disposal contract which might then impact on boroughs, and recycling rates within the region would likely see an improvement with the introduction of the service.
- 9.2. **Do nothing:** This would place Havering in direct contravention of the Environment Act 2021. Ring-fenced funding has been provided by DEFRA for the purpose of purchasing capital assets to enable the rollout of this service. The funding would need to be returned and Havering would be in breach of the Act.

IMPLICATIONS AND RISKS

10. Financial implications and risks:

- 10.1. The cost of introducing food waste collections has been included as an anticipated change in Havering's integrated waste collection and street cleansing contract pricing with FCC, at an expected additional revenue cost of £2.725m per year. FCC are currently seeking quotations for vehicles, and an initial capital grant of £1.894m through the New Burdens Doctrine has been provided by DEFRA. Havering's estimated capital requirements, including potential depot space will see its costs come in significantly higher than the DEFRA offer, and as such, Havering is preparing to challenge the amount of capital funding provided so far, and is awaiting details of DEFRA's revenue offer. There is a significant risk that the full Capital funding required will not be met by DEFRA resulting in additional capital borrowing, which has been

identified in the report as set aside. The additional revenue cost of servicing that debt of up to £1.3m is estimated to be £0.228m per annum over 8 years. The level of capital borrowing in the report is an estimate; final numbers will not be known until procurement is undertaken. There is therefore a risk this gap in funding could grow.

10.2. Initial cost estimates for food waste collections, listed against the DEFRA offer, are shown below, with more detail provided in Appendix 6. Currently there is a capital gap of £1.3m between the DEFRA funding received and the anticipated total capital cost. Havering has included up to £4.650m in its Capital programme to fill any capital funding gap, but will utilise all New Burdens funding received prior to spending any of this. This amount was approved at February 2024 Cabinet and subsequent Full Council Meeting.

10.3.

Estimated Capital Outlay

	No	Total £m	DEFRA Offer £m	Difference £m
5L caddie	109,000	0.171	0.227	0.056
23L caddie	90,000	0.426	0.432	0.006
Flats food bins	1,473	0.884	0.11	-0.774
Vehicles*	15	1.568	1.125	-0.443
Depot Cost	1	0.150	0.000	-0.150
		3.199	1.894	-1.305

** 8-year depreciation period if borrowing.*

10.4. At a later date, a revenue funding offer is expected from DEFRA to cover transitional arrangements, including communications, caddy liners, and delivering containers. DEFRA's funding formula is partially based on data provided by boroughs to WRAP, however as the capital funding formula outcome does not appear to align with true costs, boroughs have no indication as to the revenue offer that might be expected, which therefore represents a financial risk to Havering. The Council has set aside £2.1m in revenue funding for 2025/26, rising to £3.8m in 2026/27 to cover most transitional arrangements, then the subsequent annual delivery of the service. As well as this, there are increasing pressures relating to existing staff capacity to deliver the project. There is an existing small communications budget of £0.020m that can be diverted to food waste activities, but should DEFRA's transitional funding not cover the estimated costs around staffing (estimated at £0.100m) then the Council will be left with a funding pressure that it needs to meet.

10.5. Aside from project staff costs, the expected ongoing costs are:

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Year 1:

	No	Total £m	DEFRA Offer*	Difference £m
Survey of flats	1	0.020		-0.020
Delivery of caddies / liners / leaflets	109,000	0.436		-0.436
Initial Caddy liners per 1000*	11,990	0.269		-0.269
Replacement 5L caddies	2725	0.004		-0.004
Replacement 23L caddies	2375	0.011		-0.011
Delivery of replacement caddies	5100	0.024		-0.024
Additional liners (25% total)	2248	0.040		-0.040
Additional liner delivery	2248	0.011		-0.011
New / Replacement Flats food bins	37	0.022		-0.022
Comms	1	0.070		-0.070
FCC collection costs (6 months)	1	1.362		-1.362
Cost of Capital borrowing		0.228		-0.228
				-2.497

* Assumed 2 liners per household per week

Year 2 onwards (not including indexation and property uplift)

	No	Total £m	DEFRA Offer*	Difference
Replacement 5L caddies	5450	0.009		-0.
Replacement 23L caddies	4750	0.022		-0.
Delivery of replacement caddies	10200	0.048		-0.
Annual liners per 1,000	11,990	0.269		-0.
Annual liner delivery	109000	0.512		-0.
Additional liners (25% total)	4496	0.08		-0.
Additional liner delivery	4496	0.021		-0.
New / Replacement Flats food bins	74	0.044		-0.
FCC collection charge per annum	109000	2.725		-2.
Cost of Capital borrowing		0.228		-0.
		3.958		-3.

10.6. Havering officers have been in touch with their counterparts at the other ELWA Constituent Councils to discuss timescales and opportunities for joint procurement. Timescales for purchasing of vehicles, containers and equipment may vary due to demand from other Local Authorities on the market, and may impact on the service commencement date.

11. Legal implications and risks:

11.1. The Council has a general power of competence under section 1 of the Localism Act 2011 to do anything an individual may generally do subject to

any statutory limitations. The arrangements now sought are in accordance with these powers.

- 11.2. Furthermore, section 45 of the Environmental Protection Act 1990 sets out the duty placed upon a Waste Collection Authority, to arrange for the collection of household waste in its area and section 45A of the Environmental Protection Act 1990 (as amended by Section 57 of the Environment Act 2021) requires, with effect from 1 April 2026, all recyclable household waste to be collected separately from other household waste, for recycling or composting at least once a week.
- 11.3. Capital funding has been partially provided by way of a Section 31 grant, under the New Burdens doctrine. A separate Executive Decision report notes acceptance of this grant.

12. Human Resources implications and risks:

- 12.1. Having contracts out its household waste and recycling collection service to FCC, who will be responsible for the provision of the separate food waste collection service through this contract, with costs provided for anticipated service changes at the time of tender. There are temporary implications on Havering staff resourcing as follows:
- 12.2. Project Manager: a 2-year fixed term post, ending June 2026 has been filled, to provide management of this large-scale project.
- 12.3. Project oversight: Programme Board and Project Working Group comprising of existing staff within relevant service areas, including Environment, Finance, Procurement and Transformation is in place.
- 12.4. Project Implementation: Existing staff are currently being utilised on the project, from with the Waste Team and Business Support Teams. Staff resourcing continues to be reviewed, and discussed at Programme level.

13. Equalities implications and risks:

- 13.1. The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:
- i. the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
 - ii. the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
 - iii. foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

- 13.2. The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.
- 13.3. An Equalities and Health Impact Assessment (Appendix 7) has been drafted and updated, utilising the outcomes of the public survey, which is summarised in Appendix 8.

14. Health and Wellbeing implications and Risks

- 14.1. Health and wellbeing impacts have been considered as part of the Equalities and Health Impact Assessment (Appendix 7), utilising Havering's Health and Wellbeing tool, and will continue to be reviewed accordingly throughout the life of the project, and service provision.
- 14.2. There are no significant health and wellbeing implications arising from the implementation of home food waste collection.
- 14.3. Reduced food spillage from roadside black bag refuse may offer health and wellbeing benefit by reducing risk of associated pedestrian slips or trips while improving street scene.
- 14.4. Alongside new food waste collections, complementary efforts to support households to improve shopping habits and reduce food waste offers a route to improve the financial wellbeing of residents.

15. ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

- 15.1. Havering Council is compelled by the Environment Act 2021 to introduce food waste collections for all households in the borough by 1st April 2026.
- 15.2. As detailed in paragraphs 3.4 - 3.6, the compulsory introduction of separate food waste collections is a proven way to reduce overall household waste. With residents recognising the amount of food waste they produce, many will look to reduce this in a bid to be less wasteful, either for financial, environmental or ethical reasons.
- 15.3. The provision of this service may increase Havering's recycling rate by up to ten percentage points.

15.4. Whilst food waste is a large contributor towards carbon emissions throughout the world, due to the existing Mechanical Biological Treatment provided for Havering's waste, no household food waste goes to landfill. The environmental benefits are therefore via the food being reprocessed into useful materials – compost and digestate – which will be used in agricultural production.

15.5. The risks with regards introducing this service will be around the additional carbon outputs emanating from 15 new vehicles required to operate the collections. Havering and FCC will continue to review fuel options, with an option to switch to biofuel should this become more economically viable. In the meantime, FCC have committed to reducing fuel consumption throughout the life of their contract with Havering, via telematics and driver training, and report back to Havering on monthly fuel use. FCC have also committed to carbon offsetting via an ISO accredited tool and offsetting programme.

BACKGROUND PAPERS

<https://www.wrap.ngo/sites/default/files/2024-02/WRAP-Household-Food-Waste-Collections-Guide-V17.pdf>

<https://www.legislation.gov.uk/ukpga/2021/30/part/3/crossheading/managing-waste>