

PLACE OVERVIEW AND SCRUTINY SUB-COMMITTEE

4 NOVEMBER 2025

Subject Heading:

Food Waste Service Update

ELT Lead:

**Imran Kazalbash
Director of Environment**

Report Author and contact details:

**Jacki Ager, 01708 433363,
jacki.ager@havering.gov.uk**

Policy context:

Supporting the service's role in delivering Havering's Climate Change Action Plan 2024-2027, reducing waste and increasing recycling, by introducing a service re-design to incorporate food waste collections for households in Havering's waste collection service provision.

SUMMARY

1. The Environment Act 2021 requires local authorities to provide a weekly separate collection of food waste to all households by 31st March 2026. As a change in law, this is eligible for funding through the New Burdens Doctrine. Havering has received capital funding of £1.89m to contribute towards the purchase of vehicles and containers. This funding already represents a gap of £1.3m against the £3.2m estimated true cost of the capital purchases, and this will be made up through capital borrowing, as agreed by Cabinet on 22nd January 2025, whilst the Council continues to lobby for this shortfall to be made up from central Government.
- 1.1. Havering's food waste collection vehicles are due to delivered in September-October 2026. Lead times in the industry have been lengthened considerably due to demand as many boroughs seek to roll out their services in 2026. Officers are in the process of procuring food waste caddies and liners via a procurement framework to ensure that these can be distributed to coincide with the vehicle arrivals, ready for service commencement from October 2026.

Place Overview & Scrutiny Sub-Committee

- 1.2. The Council has in its budget £4.0m annually to cover the service costs from year 1 (2026/27) onwards, however there is an expectation that DEFRA will fund approximately £1.5m annually. This will cover the year 1 costs (part year service), but will require use of some of the annual £4.0m set aside in subsequent years.
- 1.3. Havering's Communications Team will continue to play a role in ensuring that the public is kept updated on the service rollout, to ensure residents are well informed and enable a good take-up of the service.

RECOMMENDATIONS

2. It is recommended that the Committee note the contents of this report.

REPORT DETAIL

3. Background

- 3.1. Along with previously provided capital funding, DEFRA's first round of non-ring-fenced "Resource Transitional" funding has been received, with a further round confirmed for this year. The funding is anticipated to be placed in an earmarked reserve to support the service implementation. DEFRA has stated that this funding covers the following items to support the rollout of a borough-wide food weekly domestic food waste collection:

24-25			25-26		Total
Container delivery	Project management		Procurement	Communications	
£293,519.08	£72,000		£2,000	£163,831.90	£531,350.98

- 3.2. The expectation is revenue funding from DEFRA for the ongoing service collection costs will be provided for 2026/27 onwards. So far, the amount of revenue funding to be provided is unknown. However this has been estimated at approximately £1.5m per year, based on other elements of the funding already received.
- 3.3. DEFRA have confirmed £0.072m project management costs for 2024/25, which have been moved into 2025/26, however there is no funding available for project management in 2026/27. There are also no project support costs, for example

Place Overview & Scrutiny Sub-Committee

around surveying of flats, of which Havering has costed approximately £0.020m to undertake. This will therefore be funded from the existing revenue budget.

- 3.4. Havering's estimated capital outlay is provided below, shown against the DEFRA capital offer.

3.5. Estimated Initial 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.*

3.6. Food waste revenue costs:

- 3.7. In the Council's previous budget setting cycle, it allocated £2.1m 2025/26 and £4.0m per year thereafter to deliver an ongoing food waste collection, all funded from Council resources. This was due to no confirmation of any New Burdens funding at that time. It is now confirmed that New Burdens funding will support the rollout but the amount has yet to be confirmed from DEFRA. The original internal allocation of £2.1m for an early rollout in 2025/26 will not be spent, with the service set to commence in October 2026. It is expected that due to year 1 only incurring part-year costs (October 2026 to March 2027), revenue funding from DEFRA will likely cover this whole cost, without the internal budget allocation needing to be spent, however this is yet to be confirmed by DEFRA. Further on-costs and funding expectations are provided in section 6, under Financial Implications and Risks, with spends expected to fall within the existing budget envelope, supported by DEFRA.

4. Caddy liners

- 4.1. DEFRA's position is that the available evidence it has around the benefit of providing liners to increase participation is inconclusive, and it has written to Councils stating that no funding will be provided.
- 4.2. Havering officers have carried out some independent research to obtain an understanding of the impact of liner provision on participation rates and material

capture. A 30% higher tonnage capture of food waste through the provision of liners and targeted communications has been assumed, taking a rough average of capture rates observed in other boroughs. This includes:¹

Council	Food waste yield	Action
Derbyshire	+50%	Free liners, leaflets and bin stickers
Norwich	+40%	Free liners and bin stickers
Eastleigh	+37%	Free liners and bin stickers
Bromley	+25%	Free liners
Guildford	+22%	Free liners
Caerphilly	+19%	Free liners (trial)
Tendring	+10%	Free liners (one-off)

- 4.3. With Havering's estimated yield of food waste being approximately 7,500 tonnes without liners, a 30% increase would see this yield being around 9,750 tonnes.
- 4.4. At the same time, some overall waste reduction is likely to be seen, as customers change their behaviours over time. This could be up to 2,000 tonnes in a full year.
- 4.5. Under the new ELWA contract from 2028 the potential exists for savings, as Anaerobic Digestion (food waste) is significantly lower cost than Energy from Waste (expected treatment route for residual waste under the next contract). Therefore, there is a strong financial incentive to move food waste out of the residual waste stream, and reducing that stream as much as possible.
- 4.6. The annual provision of liners borough wide would cost £0.194m in year 1. Further distribution will be decided at a later date, with alternatives being for customers to purchase their own, wrap food waste in newspaper, or simply not provide any sort of lining at all. Regardless of whether the service continues with liners from year 2 onwards, their initial provision is expected to facilitate take-up of the service.
- 4.7. Future savings may be seen if the ELWA Levy experiences material changes post-2027 when ELWA's existing waste disposal contract expires.

5. Options

- 5.1. The timing of the service rollout is largely dependent on manufacturing markets at present, particularly vehicles. Havering's waste contractor, FCC, obtained quotes from a number of well-regarded manufacturers in the industry, seeking to ensure a balance between value for money and reasonable lead times. At the time the decision was made on the manufacturer, Faun Zoller, they provided both the cheapest quote and the shortest lead time. The order has been placed with the

¹ [Maximising food waste collections: Case studies | WRAP - The Waste and Resources Action Programme](#)

Place Overview & Scrutiny Sub-Committee

manufacture, with the fleet delivery date being in September / October 2026. The timeline so far is as follows:

22nd Jan 2025	Cabinet sign-off. ED delegating authority to purchase.
Jan-Mar	FCC requested updated quotes from manufacturers.
27th March	All requested manufacturers provided quotes.
11th April	Draft ED shared with Business Partners for comment.
12th April	Legal team provided advice on purchasing through existing FCC contract.
8th May	Business partner sign-off.
9th May	ED signed by Director.
15th May	Decision published. Vehicle order raised by FCC.

5.2. Given the above, and the Resource Transitional funding confirmation (£0.531m), three options were considered, with Option 2 being chosen as the preferred option based on the practicalities around service roll-out and vehicle lead time:

5.3. **Option 1: Full roll-out from Autumn 2026.**

5.4. This would enable the service to commence upon the delivery of vehicles, however carries risk around implementing a go-live in the space of one week, with no room for manoeuvre if any operational issues arise.

5.5. **Option 2: Phased implementation by ward / round from Autumn 2026.**

5.6. This is the recommended option, FCC having previously implemented food waste collections in a similar way in other nearby boroughs. A phased approach over 8 weeks would facilitate a smoother rollout, although this will require sufficient comms support. Flats would still be addressed following the rollout to all kerbside properties, to ensure adequate attention is paid to facilitate appropriate installations.

5.7. There would be a financial benefit to delivering the rollout in this way, as the full collection costs would not commence from day 1, instead increasing over a period of 8 weeks (or more if decided). Havering will work with FCC to extract best value whilst ensuring a high level of customer understanding and satisfaction, where phasing in is concerned.

5.8. **Option 3: Implement a partial roll-out based on funding received (subject to vehicle delivery lead times).**

Place Overview & Scrutiny Sub-Committee

- 5.9. This approach is being adopted by some boroughs, to demonstrate that the funding gap needs to be filled by DEFRA to enable a full roll-out. In Havering, whilst the DEFRA capital funding would enable borough-wide provision of both indoor and outdoor food caddies, it would only provide:
- 9 of the 13 vehicles required (servicing approximately 69% of the borough), -
 - 13% of blocks of flats with appropriate bin housings
- 5.10. This would represent a saving in terms of Havering's own previously allocated financial input. However, this approach brings with it both operational difficulties and reputational risk due to the need to omit some properties from the service, and was therefore not recommended. It should be noted that without an estimate of the ongoing revenue funding to be provided, it is not yet known if full ongoing revenue costs will be covered by DEFRA from 1st April 2026.
- 5.11. Overall, there are an undisclosed number of local authorities that will be delivering their food waste services post-31st March deadline, mainly due to a combination of governance timescales and vehicle delivery times. Within the ELWA region, it is unlikely that any one borough will be operating a full food waste service by the deadline date, and there is no suggestion at the moment that government will take action against authorities that can demonstrate they are clearly working towards delivering a full service roll-out. Havering will continue to monitor the situation and update DEFRA as required, whilst ensuring public communications remain ongoing.

IMPLICATIONS AND RISKS

6. Financial implications and risks:

- 6.1. The service is expected to stay within the Council's budget over the first three years, with DEFRA funding likely to cover all costs in year 1 and contribute in later years. The budget allows for some financial flexibility, though future DEFRA funding is not yet confirmed. The £1.3m capital shortfall will be covered through approved borrowing, and early procurement has helped reduce delivery risks. Initial costs for liners and flat surveys will be met from existing budgets, with any further pressures to be reviewed as the rollout progresses.
- 6.2. The table below indicates that the service remains within the Council's allocated budget envelope across the first three years.

	Recommended Option 2		
	PY	FY	FY
Food Waste Service Implementation	2026/27 £m	2027/28 £m	2028/29 £m
Running Costs	1.290	3.103	3.305
*Bin Liners/Caddies (inc. delivery)	0.194	-	-
Replacement Caddies	0.008	0.026	0.026
Total Cost of Service	1.492	3.129	3.330
**DEFRA Funding (est)	(1.492)	(1.551)	(1.652)
Shortfall in DEFRA funding (est)	0.000	1.577	1.678
Current Budget	4.000	4.000	4.000
Savings on Current Budget	(4.000)	(2.423)	(2.322)
Year on Year difference		1.577	0.101

7. Legal implications and risks:

- 7.1. 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.
- 7.2. 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.
- 7.3. 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.
- 7.4. It should be noted that failure to provide 100% food waste collection after 31 March 2026 will be a breach of the Environment Act 2021.
- 7.5. The Office of Environmental Protection (OEP) has the powers under section 33 of the Environment Act 2021 to investigate any complaint received that a public authority has failed to comply with environmental law. Under Section 35 of the Environment Act 2021, Information Notices can be served setting out why the OEP considers the alleged failure if occurred, is serious and to provide further information. The recipient must respond in writing and as far as practicable, provide the requested information. If the OEP consider on the balance of probabilities that the authority has failed to comply with environmental law, and

Place Overview & Scrutiny Sub-Committee

considers that the failure is serious, under Section 36 Decision Notices may be served, including steps for remedy, mitigation and/or prevention. Prior to any enforcement it is very likely a written warning will be issued to an authority.

- 7.6. As well as such possible regulatory consequences relating to non-compliance, the failure may render the Council susceptible to Judicial Review.
- 7.7. This report states that the food waste collection service will commence on a phased implementation over 8 weeks, from October 2026 covering all kerbside properties. Following this, a further rollout of food waste collections for communal properties will be implemented in early 2027.

8. Human Resources implications and risks:

- 8.1. Havering 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:
- 8.2. **Project Manager:** a 2-year fixed term post, ending June 2026 has been filled, to provide management of this large-scale project.
- 8.3. **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.
- 8.4. **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.

9. Equalities implications and risks:

- 9.1. 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:
- 9.2. the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
foster good relations between those who have protected characteristics and those who do not.
- 9.3. Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

- 9.4. 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.
- 9.5. An Equalities and Health Impact Assessment was previously drafted, and can be found accompanying the Cabinet Report from 22nd January 2025, along with the outcomes of a public survey.

10. ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

- 10.1. Havering Council is compelled by the Environment Act 2021 to introduce food waste collections for all households in the borough by 1st April 2026.
- 10.2. 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.
- 10.3. The provision of this service may increase Havering's recycling rate by up to nine percentage points, based on up to 9,000 tonnes of food waste being collected for recycling, against a total of approximately 103,000 tonnes of household waste. This would see Havering's recycling rate increase from 38%, up to potentially 47%. A more conservative estimate of 6,000 tonnes would still see Havering's recycling rate increase to 44%.
- 10.4. 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 currently goes to landfill. The environmental benefits are therefore via the food being reprocessed into useful materials – compost and digestate – which will be used for agricultural purposes.
- 10.5. 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.

Place Overview & Scrutiny Sub-Committee

There is a statutory obligation to list papers relied on in the preparation of the report, unless:

1 It is an exempt report

2 Papers relied upon are already in the public domain as “published papers”. This can include: books, magazines and newspapers; Government publications; Council publications (including previous reports and minutes of meetings)

If in doubt, please seek advice from Committee Administration