



**Barking &
Dagenham**

Waste Strategy

Member Briefing

13 June 2023

one borough; one community; no one left behind

WHAT WE WILL BE COVERING

1. Current services

- what do we do and how is it disposed of

2. Legislation and waste strategy

- what governs what we do and what's next

3. New disposal contract(s)

- disposal arrangements post 2027 and Outline Business Case (OBC)

KEY FIGURES

2020/21 ranked as London Borough producing the highest residual waste (kg) per household

Average of 8-10 tonnes of residual waste collected per vehicle daily

Loaders emptying an average of 500-600 bins a day each

85,560 tonnes of household waste collected in 2021/22

2022/23 estimated recycling rate of 33%

75,000 properties serviced each week

23 different routes operated daily across two shifts

Average of 5 tonnes of recycling collected per vehicle daily

WASTE AND WHERE IT GOES



RESIDUAL WASTE
Weekly collections
140lt wheeled bin



MECHANICAL BIOLOGICAL TREATMENT (MBT)
Removes metals, glass and stone for recycling and then dries waste to produce a refuse derived fuel and a compost-like output



RECYCLING
Fortnightly collections
240lt wheeled bin



MATERIALS RECOVERY FACILITY
Uses machines and some manual labour to separate out different recyclable material streams



GARDEN WASTE – chargeable
Fortnightly collections
240lt wheeled bin



OPEN WINDROW COMPOSTING
Garden waste is laid out in long rows, turned regularly to produce compost to be used in agriculture

EAST LONDON WASTE AUTHORITY (ELWA)

- ELWA established on 1st April 1986 following abolition of GLC
- Statutory Joint Waste Disposal Authority (WDA)
- Two elected Members per borough make up the Authority
- London Boroughs of Barking & Dagenham, Havering, Newham and Redbridge
- Constituent Councils are responsible for waste collection
- ELWA is responsible for waste disposal and Reuse and Recycling Centres (RRCs)



CURRENT WASTE DISPOSAL ARRANGEMENTS

- 25-year PFI Integrated Waste Management Services (IWMS) Contract ending in Dec 2027
 - Contractor (special purpose vehicle, or SPV) is ELWA Ltd
 - Renewi (formerly Shanks) is the Operator
 - ELWA has seat on ELWA Ltd board ('A' Director)
- Approx. 455,000 tonnes delivered to ELWA facilities in 2021-22, from over 400,000 households (over 1.1m residents)
- Number of sites and facilities
 - Frog Island and Jenkins Lane – MBTs plus bulking/transfer
 - RRCs x 4 (including one on Jenkins Lane site)
 - Ilford Recycling Centre
 - Also approx. 500 recycling sites serviced by Renewi

LEGISLATION

25 Year Environment Plan

Sets out our goals for improving the environment within a generation and leaving it in a better state than when we found it

Details how government will work with communities and businesses to do this

Environment Act 2021

To give a **legal framework for environmental governance** in the UK.

To **bring in measures for improvement of the environment** in relation to waste, resource efficiency, air quality, water, nature and biodiversity, and conservation.

Resource Waste Strategy

Developed by Defra with the aim of tackling long-standing issues, such as waste crime, inconsistent recycling collection systems, plastic pollution and packaging

RESOURCE WASTE STRATEGY



Three key consultations

- Consistency in collections
- Extended Producer Responsibility (EPR)
- Deposit Return Scheme (DRS)

SEPARATE FOOD WASTE COLLECTIONS

Environment Act 2021

Requires LA's to provide a weekly separate food waste collection from all households by March 2025 – this includes communal blocks and flats above shops

The requirement around food waste is now in law but details around funding for this are still to be confirmed – current indications are;

Capital funding

- As a Change in Law, in scope of New Burdens – have £295m of capital funding to support set-up or expansion of food waste collections to be distributed end of 2023/24

Revenue funding

- Revenue funding should be made available but not yet confirmed the timings (although expected after capital funding)
- Both capital and revenue will be allocated based on modelled costs against 'family groupings' of local authorities
 - Details on models will not be available until late 2023
- Funding would be paid through DLUHC grant system – not ringfenced

WASTE STRATEGY – WHAT’S NEXT?

Operational service changes

- Statutory requirement to introduce separate food waste collections to all households, flats and flats above shops by March 2025 – phased approach for households and flats/flats above shops
- Consistency consultation outcome may require further service changes e.g. twin stream dry recycling collections - subject to TEEP evaluation
- Implementation date dependent on costs, market availability (vehicles, bins and AD capacity) and outcome of funding from government
- Question over cost of service delivery – likely that government funding will not cover full cost. Will have to consider service delivery options to plug the gap
- Lots of ‘known unknowns’ that are creating delays
- Progression with new waste disposal contract(s) – led by ELWA and CC’s so a requirement for increased partnership working

WASTE STRATEGY – WHAT’S NEXT?

Behaviour change

- In order for objectives around waste strategy to be successful, requires significant behaviour change from Borough users
- We need to empower residents and Borough users to take a more active role in doing their bit to keep the borough clean, by managing their waste correctly and working alongside the council
- Develop the foundation for how we engage with our residents now, to enable the right platform to communicate and deliver successful operational service changes later



FUTURE WASTE DISPOSAL ARRANGEMENTS

- Beginning of 2022 ELWA in conjunction with Constituent Councils (CC) began formal process for procurement and contract expiry (PACE) in relation to waste disposal
- Commissioned additional advisors (technical, financial and legal) to develop and Outline Business Case (OBC) that will set out the proposed procurement route for ELWA's waste disposal requirements post 2027
- Paper going to Cabinet in July 2023 on the OBC for all CC's to ratify before progressing the procurement process
- Indicative outcomes suggest that the route will be disaggregated contracts of differing durations to better represent CC requirements, legislative changes, value for money, current and anticipated market considerations and environmental impacts

OUTLINE BUSINESS CASE (OBC)

Why is it important?

- ELWA have a statutory requirement to dispose of our waste
- Legislation requires the disposal to adhere to certain requirements to ensure it is environmentally led
- Increasing population and market pressures around waste disposal mean that the cost will continue to increase – therefore the OBC is about ensuring the best outcome regarding ease and value for money for residents and the environment

OUTLINE BUSINESS CASE (OBC)

Contract scope (What)

- Same materials as current contract but with the addition of separate food waste due to legislative requirements

Service solution (How)

- Waste reception only – haulage to merchant treatment capacity
- Mix of contract lots – creating competition between merchants and better value for money

Service delivery (Who)

- Private sector delivery (rather than LA operated or owned)

Contract duration (When)

- Mix of various contract terms to reflect adaptation to market forces and legislative requirements of material types

Funding (Who funds it)

- Mixed public sector and private funding – determined through procurement