

# Transport and Environment Committee

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## Recycling Redesign

Item number	7.2
Report number	
Wards	All

### Links

Coalition pledges	<a href="#">P44</a>
Council outcomes	<a href="#">CO17</a> <a href="#">CO18</a> <a href="#">CO19</a>
Single Outcome Agreement	<a href="#">NO14-LO30</a>

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# Executive summary

## Recycling Redesign

### Summary

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This paper provides an update on the work of the recycling redesign project and recommends a preferred option for a new kerbside recycling collection service to replace the current red and blue box scheme.

In considering potential new recycling collections both national drivers such as the requirement to collect high quality materials and 'local' issues such as Edinburgh's diverse housing types have been considered. From the outset there was a desire to offer an easy to use and understandable kerbside recycling service that is flexible across property types, provides an equality of service regardless of housing type and can complement the regulatory requirement to provide a commercial recycling service, whilst increasing recycling performance in line with statutory targets.

A presentation was made to the Policy Review and Development Sub-committee of the Transport and Environment Committee on 20 December 2012 and they have recommended that Option 1 is taken forward as the preferred option.

**Option One.** Recyclable material is collected in a standard bin and a box (or alternative). Paper, cardboard, mixed plastics, and metals would be collected in the bin. Glass, textiles, small waste electrical and electronic equipment (WEEE), and household batteries would be collected in the box.

The Policy Review and Development Sub-committee also recommended that a communication strategy is developed with the aim of increasing participation in the Council's recycling schemes.

Approval of the preferred option will allow the commencement of procurements and development of a full business case.

### Recommendations

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- a) Approve Option 1 as the preferred option for a new kerbside recycling service subject to the development of an affordable business case
- b) Approve the development of Option 1 on the basis that the service will be delivered in house. This will be subject to satisfying Best Value requirements through the development of the business case.

- c) Note the intention to report further on the full business case for Option 1.
- d) Note the intention to bring back reports on a recycling communications strategy and on recycling provision in high density housing areas

## Measures of success

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Recycling increases above 50% from 2014/15 onwards.

The net cost of the new service does not exceed the cost of the current service.

## Financial impact

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Initial cost modelling of the two preferred options indicated savings of between £1.0m - £2.0m. However this modelling was carried out seven months ago and did not take into account of a number of key changes that were made in September 2012 most notably managed weekly collections and double shifting. Furthermore the financial modelling only focussed on kerbside recycling and did not consider the impact on or costs of communal recycling provision. If the recommendations are accepted further financial modelling will be carried out on the basis of Option 1 for the kerbside recycling service taking into account both the recent service changes in Waste and the impact on other recycling provision. The updated financial model will be used to check the affordability of Option 1 and to inform the development of a full business case. Accurate detailed costings will be required for both new multi-compartment refuse collection vehicles (to enable the simultaneous collection of different types of recyclate/waste) and the processing of recyclable materials and these will only become known through the procurement process. When these costs are known a final full business case will be submitted to Committee for approval.

Although the full financial impact of Option 1 cannot yet be fully quantified the assumption is that it will be affordable i.e. the net cost will not exceed the cost of the existing recycling collections.

## Equalities impact

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The Public Sector Equality Duty (PSED) general duties will be accommodated through the provision of a service which is easier to use, through the continued provision of assisted collections for those people who require them, and by the use of alternative containers where those are required.

Similar benefits would be expected in relation to the 10 key rights in terms of making the service simpler to use, and flexible in terms of its operation.

## Sustainability impact

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The provisions of the Climate Change (Scotland) Act 2009 would be met in the following ways:

- The provision of an enhanced recycling service will divert additional waste from landfill which will reduce the carbon impact of managing this waste;
- By moving additional waste materials from landfill to recycling, the enhanced service will deliver wider environmental and economic benefits and so contribute to sustainable development.

## **Consultation and engagement**

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It is proposed to carry out public consultation in the first quarter of 2013, using demographically representative focus groups, with residents from both low and high density housing areas, in particular to ensure that the service is as flexible as possible, that alternative containers can be sourced for those households unable to accommodate an additional bin, and to shape the communications and engagement activities.

## **Background reading / external references**

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## Recycling Redesign

### 1. Background

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- 1.1 This report outlines progress to date in the recycling redesign project. It outlines the key drivers and considerations for identifying the preferred option for a redesigned kerbside recycling service, the future shape of the recycling services more generally and how a redesigned service may increase participation in recycling. The project has been undertaken with external consultancy support, guided by the Council, and has been funded entirely by Zero Waste Scotland.
- 1.2 The current kerbside recycling service (the red and blue box scheme) is currently provided by an external contractor and is due to be renewed or replaced during 2013.
- 1.3 A presentation was made to the Policy Review and Development Sub-committee of the Transport and Environment Committee on 20 December 2012 and the outcomes from the subsequent discussion forms the basis of the recommendations contained within this report.

### 2. Main report

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#### Key Drivers

- 2.1 The project scope was to consider the way in which kerbside recycling services could be enhanced in low density housing areas to:
  - Improve upon existing recycling performance;
  - Provide residents with increased capacity to recycle;
  - Balance the relationship between ease of use and national policy and legislative imperatives around quality of collected material and the collection of key materials;
  - Provide collection systems that are easier to use and understand by the public subsequently increasing the number using the service and diverting material from landfill;
  - Integrate more effectively with commercial waste and high density housing recycling provision; and
  - Offer the potential to realise cashable savings within the service.
- 2.2 There are a number of national and local issues that are driving the review of the existing service. In national terms, the Scottish Government's Zero Waste Plan (ZWP) and more recently the Waste (Scotland) Regulations 2012 (WSR) require

Councils to offer a kerbside collection of key dry recyclables no later than 1<sup>st</sup> January 2014. The key materials are:

- Paper;
- Cardboard;
- Metals;
- Mixed Plastics;
- Glass.

- 2.3 The current kerbside recycling service is not fully compliant with the WSR 2012 as only plastic bottles rather than the required mixed plastics are collected through the current red and blue box scheme for low density properties. Provision for the collection of mixed plastics and glass is not always available in the communal recycling containers provided for high density (flats and tenements) areas of the City.
- 2.4 The ZWP and WSR 2012 are driving a cultural shift from waste management and disposal towards resource management, recognising that recyclables have both a financial and resource value. As a result it will be a statutory requirement to collect recyclables in a way that ensures they are of a quality high enough to prioritise closed loop recycling, meaning that materials are recycled back into the same product type (e.g. glass into new glass containers).

### **Current Preferred Options**

- 2.5 In total the project considered 12 potential collection options. The options themselves can broadly be grouped into 3:
- **Single stream.** All materials are collected in one standard wheeled bin;
  - **Twin stream.** Two containers are provided per property (a box and a standard bin); and
  - **Multi stream.** Essentially the current collection service (blue and red boxes).
- 2.6 The variation between each option was largely down to the range of materials collected and the frequency by which all waste streams were collected. The options were evaluated against agreed criteria in order that a preferred collection option could be identified. The outcome was that 2 of the 12 collection options were identified as being preferred but crucially both options support a move to a twin stream approach (a bin and a box per property). Both options are also based on the assumption that the service will be delivered in-house. The two options favoured were:

**Option One.** Recyclable material is collected in a standard bin and a box (or alternative). Paper, cardboard, mixed plastics, and metals would be collected in the bin. Glass, textiles, small waste electrical and electronic equipment (WEEE), and household batteries would be collected in the box.

**Option Two.** As with option one, recyclable material is collected in a standard bin and a box (or alternative). This option is developed around 'fibre' materials (paper and cardboard) collected in the box and the 'container' materials (glass, mixed

plastics, metals) collected in the standard bin. Textiles, small WEEE and household batteries could be presented alongside the bin.

- 2.7 It is important to note that the single stream option, considered as being the most easy to use and understand was discounted at the workshop on the basis that this type of collection system does not support high quality materials and would therefore not meet the statutory requirements in relation to quality. It also does not accept as a full a range of materials so does not meet our wider environmental objectives.
- 2.8 The favoured options were tested through a market sounding exercise. All of the companies involved advised keeping glass separate from other materials, even those who currently operate collections where glass is co-mingled with other recyclate. This was primarily because once glass is collected with other materials it is almost impossible to colour sort and can only be recycled back into low value uses.
- 2.9 Although both options were very similar the feedback from the market testing was the critical factor in making Option 1 the preferred option of the Policy Review and Development Sub-committee. One disadvantage of this option is that while it would be possible to provide a very similar service to trade waste customers, it would not be so easy to achieve this in areas of tenemental housing. The separate collection of glass would be problematic as the siting of on-street glass banks often raises objections about noise from residents.

### **Barriers to Recycling – Low Density Housing**

- 2.10 The current recycling service in Edinburgh is used by approximately 40% of the total households that have access to the boxes. Some of the barriers to using the service are that it is perceived to be confusing (what materials go in what box), that the boxes are not big enough to store materials, the boxes themselves are not easy to store, that they are easily damaged/blown away and are collected on different days to other waste collection services.
- 2.11 It is anticipated that a move towards the preferred method of collecting recycling will remove some of the current barriers to the public using the service. This will be achieved by increasing the capacity available to households to recycle, allowing a greater degree of co-mingling which involves less sorting of materials by residents, simplifying the service in terms of collection days and, where possible to ensuring that the storage of materials is flexible enough to be accommodated in different housing types.
- 2.12 The Policy Development and Review Sub-committee also recommended that a communication strategy is developed with the aim of increasing participation in the Council's recycling schemes.

## **Barriers to Recycling – High Density Housing**

- 2.13 In considering alternative dry recycling collections, the ease with which they may be offered in high density areas has been considered in a bid to provide a more equitable service across housing types. Recycling rates in higher density housing areas tends to be lower but removing the barriers to recycling in these areas is more difficult than in low rise as generally internal storage space is much more limited. Additionally there are also difficulties in siting on-street communal recycling containers as there are often competing demands for parking spaces as well as concerns about the visual impact. Disruption from noise can also be an issue particularly where glass is collected in separate on-street containers.
- 2.14 It is the intention that as far as possible the same range of materials collected in low density properties are also collected in high density properties. As a minimum recycling provision should be made for those materials that are identified as 'key' under national legislation (paper, cardboard, metals, mixed plastics, glass).
- 2.15 The Policy Review and Development Sub-committee has recommended that an investigation of the operation of recycling options in tenemental and high density properties is carried out with a view to overcoming these barriers. An inventory of all high density recycling locations, funded by Zero Waste Scotland, is being undertaken between December and March and will inform the investigation together with the outcomes of the stakeholder consultation proposed below.

### **Stakeholder Consultation**

- 2.16 It is proposed to seek service user feedback on Option 1 in order that it can be revised and refined to better meet customer needs and increase participation in kerbside recycling. Consultation will also take place on how recycling can be enhanced and improved in areas of high density housing which relies on communal recycling provision. It is intended to carry out this consultation in the first quarter of 2013 using demographically representative focus groups comprising residents from both high density and low density housing areas.

### **Delivery of the Collection Service**

- 2.17 The current kerbside collection service (red and blue box scheme) is provided by an external contractor, Palm Recycling and is due to be renewed or replaced during 2013.
- 2.18 Companies who participated in the market sounding exercise were asked for their views on who is best placed to collect the materials. The appetite was more limited for collection than for processing the materials. Six companies responded and only once company was eager to deliver the collection service. This would suggest there may be less competition if collection and processing were tendered together although it would need a full tendering exercise to properly test the market and establish the costs of external provision.



2.19 Having all waste collection services delivered in-house does offer a number of opportunities:

- More service integration, and the opportunity for 'same day' collections, ensuring the service is as simple for the customer as can be,
- The ability to offer a parallel commercial recycling service to trade waste customers.
- The resources required to run the services can be managed on a daily basis and utilised where needed across the Waste Service or the wider Council, e.g. in severe weather.
- Simplified service provision from a customer perspective with one organisation providing all waste and recycling collection services enabling a more seamless and quicker resolution to customer complaints.
- Operational flexibility to develop a recycling system suitable for high and low density areas using the minimising the number of vehicle types that need to be used regardless of container type. This would allow the Service to be much more responsive across the City using standard vehicle types. Communal packaging recycling collections are already delivered using in-house resources.

2.20 There are risks with in-house service delivery mainly associated with industrial relations and the continuing dissatisfaction in the workforce with the outcome of Modernising Pay. It should however be noted that the vast majority of staff fully co-operated with the recent changes in refuse collection (managed weekly collections, new routes and new shift patterns).

2.21 If the collection service is to be delivered in-house there will be TUPE implications for the current contractor's staff (approximately 65 staff) and these staff will need to be integrated into the new service.

2.22 The Policy Review and Development Sub-Committee have indicated support for using the assumption of in-house delivery in the development of the business case. As part of the development of the business case the Best Value implications of in-house delivery can be further explored and reported back to this Committee.

### **Next Steps**

2.23 There are a number of key tasks required to enable the preferred option to be implemented which include:

- Stakeholder consultation on design of the service
- Designing the Service (including vehicle selection and routing),

- Financial modelling and development of an outline business case
- Commencement of procurement of vehicles, bins and outlets for the material,
- Development of a full business case for final approval by committee,
- Development of a communications plan,
- Mobilisation of the service.

2.24 A key limiting factor in relation to the introduction of the new service is the procurement timeline, especially for vehicles which can take between 9 and 12 months to procure. The new scheme is therefore anticipated to go live sometime between September 2013 and January 2014.

### 3. Recommendations

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3.1 Committee are asked to:

- a) Approve Option 1 as the preferred option for a new kerbside recycling service subject to the development of an affordable business case
- b) Approve the development of Option 1 on the basis that the service will be delivered in house. This will be subject to satisfying Best Value requirements through the development of the business case.
- c) Note the intention to report further on the full business case for Option 1.
- d) Note the intention to bring back reports on a recycling communications strategy and on recycling provision in high density housing areas

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### Links

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<b>Coalition pledges</b>	<a href="#">P44 – Prioritise keeping our streets clean and attractive</a>
<b>Council outcomes</b>	CO17 - Clean – Edinburgh’s streets and open spaces are clean and free of litter and graffiti CO18 - Green – We reduce the local environmental impact of our consumption and production CO19 - Attractive Places and Well Maintained – Edinburgh remains an attractive city through the development of high quality buildings and places and the delivery of high standards
<b>Single Outcome</b>	NO14-LO30 Carbon emissions are reduced within partner

**Agreement** organisations own activities particularly in the areas of waste and energy.

**Appendices**