



REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE – 10TH DECEMBER 2013

**SUBJECT: KERBSIDE COLLECTION OF RECYCLABLES - UPDATE ON
RECYCLING MARKET ISSUES**

REPORT BY: ACTING DEPUTY CHIEF EXECUTIVE

1. PURPOSE OF REPORT

- 1.1 To update Members on current market conditions facing the UK's recycling industry and their impact upon the authority's kerbside recycling collection service.

2. SUMMARY

- 2.1 Fluctuating market prices over recent months and an increase in demand for high quality input at material recycling facilities has had a significant impact on the Authority's kerbside recycling service. The Authority has implemented a range of short term arrangements with a variety of different contractors and is working towards re-procuring a new contract. In order to ensure greater stability in the long term at an affordable price the report contains a range of recommendations for improving quality in the kerbside recycling service including the publication and distribution of new literature, intervention from the Waste Advisory Wardens and a programme of bin removal and enforcement where necessary.

3. LINKS TO STRATEGY

- 3.1 The Corporate Improvement Plan contains a number of targets relating to landfill reduction, recycling and composting. In addition, the Community and Leisure Services Divisional Service Improvement Plan contains specific objectives in response to adhering to Welsh Government and EU Guidance and meeting associated statutory targets. Kerbside recycling also contributes to the Greener theme of "Caerphilly Delivers", the Local Service Board Single Integrated Plan.

4. THE REPORT

- 4.1 In March 2013, Chinese authorities introduced 'Green Fence' to increase the enforcement of import standards for recovered materials. This has led to fluctuating market prices specifically affecting UK recovered mixed polymer bottle prices and this combined with limited local Material Recycling Facilities (MRF's) capacity has contributed to an increase in demand for quality which has impacted on the acceptability criteria at MRF's.
- 4.2 The Authority has been implementing a range of short term arrangements for the processing of recyclables with a variety of different contractors. From discussions with these contractors the quality of material is paramount and the Authority needs to implement a variety of intervention methods to maximise the quality of the recyclate.

- 4.3 Since May 2013, some employees have been redeployed to the Waste Transfer Station at Full Moon to assist with pre-sorting recyclate prior to onwards processing. Whilst this is not an ideal environment to undertake this pre-sorting of materials it does allow for the removal of larger items and other non-targeted materials and is crucial if we are to satisfy the enhanced acceptance criteria at Material Recovery Facilities and hopefully avoid paying premium prices for these materials to be removed at a later stage. All materials removed are sent for secondary sorting at a MRF that is better suited to dealing with these types of materials but this is often at an inflated price.
- 4.4 During this period our collection crews had been trying to identify properties that are placing non-targeted materials in their bins and attach stickers to the bins advising of the problems.
- 4.5 The above was supplemented with further monitoring over a more prolonged period with additional placing of stickers on bins, non-collection of bins, letter drops to the properties identified, visits from Waste Advisory Wardens and where there has been no improvement the removal of the brown bin and replacement with boxes.
- 4.6 Unfortunately the above exercise is very time consuming and is difficult to sustain longer term across the whole county borough with limited resources. However, it is something we are going to have to undertake again to ensure the materials are suitable for sorting by a MRF contractor at a reasonable price.
- 4.7 The above exercise resulted in a reduction in the amount of recycling we are collecting at the kerbside (over 15% in some areas) with a similar increase in tonnages being delivered to our Household Waste Recycling Centres (HWRC). Whilst this material is not lost from our recycling performance, it is sent to a MRF better suited to dealing with a combination of materials. Again, this is at a substantially increased cost.
- 4.8 In the past, Officers have avoided the use of legal enforcement powers, concentrating instead on persuasion and education. However, given the current problems it is possible that enforcement becomes necessary if education and persuasion fails to achieve the desired outcome. Failure to address the issue(s) could result in significant financial implications for the Authority or in the worst case scenario no MRF outlet for collected recyclables.
- 4.9 It is however accepted that there is more work to do in advance of the above and we will be issuing new literature to all residents advising them again of the materials they can place out for recycling (this will not have changed significantly from when the scheme was first introduced) with additional advice on how they can deal with the rest of the materials (either having it collected in another waste stream or at one of our Household Waste Recycling Centres).
- 4.10 The new literature will be issued over the coming months and we will work with colleagues in Communications on other methods of ensuring residents are better informed on which materials should be placed out for recycling.
- 4.11 The materials that are suitable for collection from the kerbside are; Glass bottles and jars, plastic cartons and bottles, paper, magazines, junk mail, cardboard and cans. Inappropriate items that have been discovered in the kerbside recycling/brown bin collection service include food, nappies, textiles, animal excrement, hard plastic such as toys and garden furniture, dead animals, plastic film, bags, wood, garden waste and hardcore. Whilst these may be small in quantity they can disrupt the process being undertaken at the MRF and adversely affect the value of the materials.
- 4.12 The contamination can be divided into two categories, the first being materials that can be recycled and where there is a genuine misunderstanding by the residents e.g. textiles. plastic bags, hard plastic, children's toys etc. and the other category where residents just use the brown bin as an extension of their residual waste service. This is totally unacceptable and it is this contamination that is causing the main problem e.g. food, nappies, pet excrement, dead animals, residual waste, wood, garden waste, etc. etc.

Food and Green waste should be restricted to the separate weekly caddie/bag collection service provided for this purpose and the other unsuitable items either taken to a HWRC for recycling or placed in the residual waste bin.

- 4.13 We are currently working week to week with a variety of contractors to take our recycling but unfortunately there is limited local capacity and the further afield the materials are taken the greater the haulage costs incurred. Over the coming months a Procurement exercise will be undertaken to appoint a contractor who can deal with our materials in the longer term but it is critical in the meantime that we do all we can to enhance the quality/value of the materials as this will ensure we have the most economic, stable longer term arrangement in place.
- 4.14 Unfortunately going forward there is still uncertainty regarding permissible collection methods for recycling as we await further guidance from the Welsh Government. We currently offer a co-mingled service to residents which makes their recycling very easy but the Welsh Government preferred collection method is to move to Kerbside sort system where residents would be required to keep their materials in boxes and the collection crews undertake the sorting at the kerbside. Unfortunately whilst this system may make it more difficult for residents to place out non-targeted material for collection they would still remain in their residual waste stream and require collecting and disposal at premium rates and of course this new service may cost more to operate, require more collection crews/vehicles and may discourage residents from participating all of which could ultimately reduce the amount of materials we collect with the added risk of not reaching Statutory Recycling Targets. When there is more information regarding the guidance and requirements of the Welsh Government an update report will be provided for consideration by Members.
- 4.15 It is suggested that going forward that we need to address the current problem and ask Members to endorse the following actions:

- The issue of new literature to all properties within the borough

Work with Communications to publicise what should be placed in a recycling bins and the consequences of not adhering to the guidance provided, viz:-

1st collection - contaminated bin - place sticker and do not undertake collection (resident to remove contamination)

2nd collection - contaminated bin - place letter in property advising what needs to be removed from the bin for it to be emptied.

If there is no improvement on the 3rd collection attempt undertake a follow up visit from Waste Advisory Warden.

If no further improvement 2nd letter issued again advising resident what needs to be removed from bin and warning of possible legal action.

If no action taken by resident then we will remove bin (replace with boxes) and issue a Fixed Penalty Notice (FPN) in accordance with relevant legislation. In this regard it is suggested that the FPN level is consistent with other FPN's issued by the authority for littering, dog fouling, etc (£75 reduced to £50 if paid within 14 days). This FPN level for littering, dog fouling etc has previously been agreed by the authority's cabinet.

The bin will only be reissued where residents confirm in writing that they are fully aware of the items that they should place in their brown bin and undertake to comply with these requirements in the future.

Additionally the use of black bags to contain recycling within the brown bin is also causing issues at MRF's and we will have to advise residents that they should refrain from using black bags within their bins.

- 4.16 Wardens will continue to work with local communities and schools to raise awareness of recycling and provide advice on the materials that should be placed out for collection.
- 4.17 The Authority website will be updated to reinforce key messages.

5. EQUALITIES IMPLICATIONS

- 5.1 There are no significant equality implications associated with this report although it should be noted that the Authority offers an assisted collection service for residents with medical, disability or age related conditions.

6. FINANCIAL IMPLICATIONS

- 6.1 If we have to pay a premium rate for the materials to be dealt with by an alternative MRF then every extra £10 charge per tonne adds approximately £150,000 pa to our treatment costs.

If we have to pay for 20% of the materials to be sorted at an alternative MRF (secondary/slower sort) then this could add an additional £180,000 pa to our treatment costs.

If we have to pay fines for not achieving our Statutory Recycling targets (£200 per tonne) if we lose just 10% of our recycling then this could cost us £300,000 pa (this is in addition to the additional disposal cost if residents stop recycling and place the materials in with their residual waste, approximately £180,000 per annum).

7. PERSONNEL IMPLICATIONS

- 7.1 There are no personnel implications associated with this report.

8. CONSULTATIONS

- 8.1 The report reflects the views of the listed consultees.

9. RECOMMENDATIONS

- 9.1 It is recommended that Members note the content of the report and recommend the following actions to Cabinet:
- The preparation/issue of new literature to all properties
 - Work with communications to publicise what should be placed in a recycling bin and the consequence of not adhering to the guidance provided.
 - Implementation of the procedures outlined in section 4.15 above and development of them as a new council policy.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 It is critical that we recognise the current issues regarding quality/value of materials and put measures in place to address the issues currently being experienced not only to ensure we have greater stability in long-term arrangements but also at a more affordable price.

11. STATUTORY POWERS

- 11.1 Environment Protection Act 1990, Clean Neighbourhood and Environment Act 2005.

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