

Report title	Simpler Recycling and DEFRA funding for Food Waste Collections
Report author	Helen Clark
Department	Environmental Services
Exempt?	No
Exemption type	N/A
Reasons for exemption	N/A

Purpose of report:

- **To resolve**
- **To recommend to the Corporate Management Committee**

Synopsis of report:

Approval is sought for the release of DEFRA capital new burdens grant funding for the purchase of one 12 tonne Refuse Collection Vehicle (RCV) which will be used to collect food waste from flats, not currently covered by the Council's food waste collection. From April 2026 new legislation mandates local authorities to offer a food waste collection to all households.

Approval is also sought for the purchase of food caddies and food bins to support the roll out of food waste collection from flats. All purchases will be funded by the DEFRA grant which totals £175,585.

This report also updates members on work so far to deliver food waste collection facilities for residents living in flats who have communal bin stores.

Recommendation(s):

- 1. The committee approve the proposal to procure one 12 tonne RCV for use to progress collection of food waste from flats, including CCTV and on-board weighing capability with the remaining DEFRA grant being used to purchase additional communal food wheelie bins and kitchen caddies to progress the separate collection of food waste for flats.**
- 2. The Corporate Management Committee be requested to approve a Capital Estimate in the sum of £175,585 to meet the cost of purchasing a new food waste collection vehicle and food waste bins and caddies as set out in the report, to be financed from new burdens grant funding.**
- 3. The Corporate Management Committee be requested to approve a supplementary revenue estimate in the sum of £16,990. This will allow the**

service to meet current revenue costs associated with the additional vehicle and collections.

4. To note the work already being delivered by the recycling team to ensure Runnymede residents living in flats have facilities for food waste collection.

1. Context and background of report

- 1.1 In February 2024, Runnymede was awarded a grant towards a new food waste collection vehicle and provision of new caddies and bins. The money was awarded by DEFRA under a new burdens funding programme to progress the amount of food waste collected from domestic properties. The money must be spent by end of March 2026.
- 1.2 Details of the grant funding are in Appendix A. For Runnymede, the grant was specifically allocated to progress the collection of food waste from flats as Surrey districts and boroughs have separately collected food waste from houses since 2010.
- 1.3 The Environment Act 2021 (Commencement No. 9 and Transitional Provisions) Regulations 2024 were adopted on 14 May 2024 and will introduce mandatory separated food waste collections from 31 March 2026 for all households.

2. Report

2.1 Food Waste Collection in Runnymede

- 2.1.1 In Runnymede, food waste is collected separately on a weekly basis. All street-level properties, almost exclusively houses, have access to the weekly collection (roughly 85% of the 39,000 households within Runnymede). The remaining properties are flats or properties that are served by a communal collection point. Currently, not all properties served by a communal collection point have access to a weekly food waste collection due to either space or access limitations on site.
- 2.1.3 The existing fleet consists of four, twelve tonne Iveco chassis Refuse Collection Vehicles (RCVs). These vehicles are reaching maximum capacity covering the existing rounds.
- 2.1.4 The Recycling Team has been working with Surrey Environmental Partnership (SEP) since Autumn 2023 to roll out food waste collections to 357 properties in 38 locations.
- 2.1.5 In all cases, the new communal food collection bins are being located into communal bin stores. This work commenced before the new burdens funding formula for delivering food waste collection had been finalised and funding allocated by DEFRA. Appendix B is the leaflet being used in the SEP supported campaign.
- 2.1.6 The chart below shows the progress being made with this project in November 2024.

Locality	Communal SITES (BINSTORES) with food waste	Communal SITES (BINSTORES) survey planned 2025/2026	Total number of communal SITES (BINSTORES)
----------	--	---	--

Addlestone	39	87	126
Chertsey	34	74	108
Egham	17	35	52
Englefield Green	14	14	28
Longcross	3	4	7
Lyne	0	1	1
New Haw	1	2	3
Ottershaw	0	2	2
Staines-upon-Thames	2	10	12
Virginia Water	6	12	18
	116	241	357

2.1.7 The additional locations will increase the distance the crews need to travel, and the time taken to cover these collections. This is likely to add a modest additional fuel cost. However, this work will be included within the forthcoming route optimisation project which should mitigate the increased fuel cost by optimising associated routes.

2.2 New Burdens Funding allocation

2.2.1 In 2018, Surrey Environmental Partnership (SEP) bid on behalf of the Surrey Districts and Boroughs through the Waste and Resource Action Programme (WRAP) portal for DEFRA (Department for Food, Environment and Rural Affairs) new burdens grant funding to support collection of food waste for recycling. WRAP is a not-for-profit company which works with Government Departments.

2.2.2 In February 2024, Runnymede was awarded a capital grant towards a new food waste collection vehicle and provision of new caddies and bins. As anticipated, for Runnymede the money was awarded to progress the amount of food waste collected from flats.

Runnymede was allocated new burdens funding as follows.

New kitchen Caddies - £19,692
 New kerbside collection caddies - £5,975
 New communal wheeled bins - £47,619
 New food waste collection vehicle - £102,300

Runnymede received a total new burdens capital grant of **£175,585**.

2.2.3 There are a range of food waste collection vehicle sizes ranging from very small 7.5 tonne to 11/12 tonne medium sized up to a maximum 26 tonnes.

2.2.4 The delay between bid submissions to WRAP in 2018 and funding allocation in 2024 has been problematic for some local authorities. Funding allocations were based on 2018 prices and fell short of true costs in 2024. For example, the funding allocated for full sized food waste collection vehicles at £102,300 per vehicle was insufficient for Local Authorities which needed to buy large fleet vehicles.

2.2.5 In July 2024 Runnymede officers sought clarification from DEFRA regarding use of the capital grant funding. DEFRA confirmed that elements of the grant were not ring

fenced. Using the grant flexibly to purchase a food waste collection vehicle and bins or caddies to support residents living in flats meets the grant terms. See Appendix C

2.3 Recommended use of new burdens funding

2.3.1 Once the project to offer food waste collection points in communal bin stores is completed, there will be an increase in the amount of food waste collected from Runnymede residents. Runnymede now collect from 116 bin stores with potentially a further 241 bins stores coming on stream over the next 12 months which will expand existing collection rounds.

2.3.2 Consultation that has taken place alongside the planning application process since 2019 has ensured that the provision of food waste collection is considered for all new housing developments. Guidance on bin store design is sent to all developers where relevant.

2.3.3 Colleagues in the planning policy team have provided the following indicative figures for new housing developments over the next five years. These figures demonstrate that the size of each collection round is predicted to grow beyond the 357 locations identified in the Surrey Environmental Partnership project at point 2.1.6. The volume of food waste collected is consequentially also predicted to grow. Of note is the fact that more than half of the new units predicted will be flats.

Settlement Area	Flats	Houses
Addlestone	87	0
Chertsey	811	356
Egham	257	62
Englefield Green	35	10
Longcross	136	244
Lyne	20	64
Ottershaw	59	187
Thorpe	79	44
Virginia Water	46	56
Woodham and New Haw	14	0
Non-area specific small sites	26	49
Non-area specific windfalls	36	66
Total	1,606	1,138

2.3.4 In order to demonstrate best value a review of lease v purchase options was carried out for two possible vehicle models. The review considered total cost over both 5- and 10-year periods. Data is included in the business case at appendix D and identifies that procurement is the cheaper option on this occasion over both 5 year and 10-year scenarios.

2.3.5 The business case review also identified that the DAF 12 model would be suit the demands of the service. This vehicle is already in use within the fleet and has shown reliability and longevity. The alternative model reviewed was a 7.5 tonne Isuzu Orus. This vehicle was thought to be too small with a higher likelihood of going overweight.

- 2.3.5 Consequentially the Direct Services team propose to commence procurement of a new 12 tonne DAF food waste collection vehicle as per the DEFRA funding allocation.
- 2.3.6 DEFRA have confirmed that the grant can be used flexibly but must be used to promote the collection of food waste. The DSO team propose to use any capital funding remaining after the purchase of a vehicle to purchase additional food caddies and food bins for communal collection points. The amount allocated to food caddies and bins may be reduced to cover an increase in purchase price at the point of procurement beyond the indicative quotation received.

2.4 **Alignment with the Sustainable Fleet Management Strategy**

- 2.4.1 The Sustainable Fleet Management Strategy approved by Full Council in 2024 covers a ten-year period 2024 to 2034 which fits with the standard 10-year life of new vehicle.

The strategy seeks to support the council's commitment to reduce carbon emissions from Council operations to Net Zero by 2030 and sets out the strategic framework that will guide the procurement, management and maintenance of all assets within the fleet over the lifetime of the strategy.

- 2.4.2 Infrastructure to support an electric Food Waste Collection vehicle is not presently available at the Chertsey Depot so the final model approved must be capable of running on HVO fuel. This is the main fuel now used by the Runnymede fleet and is the fuel approved in the sustainable fleet management strategy to support transition to zero emissions.

2.5 **Vehicle considerations.**

The new vehicle will be fitted with CCTV which is standard across the fleet and on-board weighing capability to ensure the vehicle does not present overweight at the weighing station.

The Fleet Manager and Operations Manager have reviewed the likely demand and concur in their proposal to purchase a 12 tonne vehicle which will offer full access to all known bin store locations, and sufficient tonnage capacity. This vehicle will be a similar size to the existing food waste collection fleet vehicles which are all 12 tonnes.

- 2.4.2 The choice of vehicle in the procurement process will consider the following factors which are outlined in the sustainable fleet management strategy.

- Value for money,
- Fit for purpose,
- Safety and compliance,
- Likely vehicle operational life,
- Cost of maintenance and availability of spare parts
- Compatibility for HVO fuel

- 2.4.3 The procurement process will be by competitive tender. The preferred vehicle is a 12 tonne DAF as this vehicle is already in use and has demonstrated reliability and longevity. Quoted indicative prices for the purchase of a vehicle as of December 2024 are below. This price is subject to change as a consequence of the

procurement process. The indicative purchase price is followed by lease and contract hire alternative costs.

- 2.4.4 The fleet manager considered an alternative 7.5 tonne Orus vehicle in the business case attached but this vehicle although cheaper was ruled out due to limited capacity

The DEFRA grant is a capital grant which cannot be used for revenue expenditure. However, the comparative figures demonstrate good value for money from the procurement route.

Capital costs

Purchase option – estimated cost 10-year life DAF 12 Tonne

Total body chassis price	£155,820
Fleet Clear CCTV Included	
On board weighing Included	
In house maintenance x 5 years	£32,000
Plus In house maintenance for another 5, years	£50,000

Total ten-year life £237,820

Lease option without 3rd party maintenance DAF 12 Tonne 5 years

Lease cost per year	£31,585
Fleet clear CCTV Included	
On board weighing Included	
In house Maintenance x 5 years	£32,000

Total first 5 years **£207,925**

Followed by, either a repeat exercise for another 5 years or:

Contract Hire with maintenance DAF 12 Tonne 5, years

Cost of contract Hire per year	£41,085
Fleet clear CCTV Included	
On board weighing Included	

Total following 5 years **£205,425**

Ten-year equivalent total cost £413,350/ £415,850

3. The statutory framework

- 3.1 The Environment Act 2021 (Commencement No. 9 and Transitional Provisions) Regulations 2024 were adopted on 14 May 2024 and will introduce mandatory separated food waste collections from 31 March 2026 for all households

4. Policy framework implications

- 4.1 Increasing the amount of food waste collected from flats is in line with the Runnymede Climate Change Strategy and Corporate Business Plan.

5. Resource implications/Value for Money

- 5.1 In April 2024 the Council received a grant towards a new food waste collection vehicle and provision of new caddies and bins. Due to the lateness of the award, this was placed in the Capital Programme as a provision pending member approval to progress the scheme.
- 5.2 As with all new schemes a full business case is required to enable members to make an informed decision (see Appendix D) and approval of a supplementary capital estimate equal to the total cost of the proposed scheme is required and the recommendations for the report have been worded accordingly.
- 5.3 Given the Council's current financial situation the prioritisation criteria set out in the approved Capital Strategy should be taken into consideration before any such decision is made. The prioritisation methodology means that schemes are evaluated according to the agreed corporate criteria to give an order of priority. As this is needed to meet a new statutory obligation to collect food waste from all households, this would rank as a Priority 1 scheme:

Priority 1

- Schemes essential and to the extent necessary to comply with statutory obligations, including Health and Safety.
- Schemes for which there is a contractual commitment to another party.
- Schemes necessary to avoid a service breakdown.
- Schemes which a business plan demonstrates to be self-financing.
- Schemes which will permit future savings or increased efficiency

- 5.4 As set out in the business case, the ongoing revenue costs for the provision of this extended service is anticipated to be £16,990 per annum. It is anticipated that these costs will be met from existing fleet budgets once the route optimisation and vehicle rationalisation work has been undertaken. However, in order to meet Financial Procedures a supplementary revenue estimate will be required in order to cover these costs in the interim.

6. Legal implications

- 6.1 Runnymede acting as waste collection authority has a duty to collect household waste under section 45 of the Environmental Protection Act 1990 (EPA 1990) be it generic or recyclable waste.
- 6.2 The Environment Act 2021 (Commencement No. 9 and Transitional Provisions) Regulations 2024 were adopted on 14 May 2024, amending the EPA1990 and introduce mandatory separated food waste collections from 31 March 2026 for all households. If food waste collection is not provided to all households in the borough, the Council will be breaching legislation and therefore open to challenge.

7. Equality implications

- 7.1 Expanding the food collection service to residents living in flats will give this cohort of residents access to a service similar to the one already available to residents living in households with kerbside collections.

8. Environmental/Sustainability/Biodiversity implications

- 8.1 Progressing the collection of food waste from flats will increase the percentage of food waste recovery within Runnymede. Food waste is taken to the Eco Park in Shepperton, an anaerobic digestion facility where it is composted and used to

generate electricity, heat and transport fuel. It also produces digestate which is used as a fertiliser.

- 8.2 There are no electric small RCV vehicles available on the market at this point in time. The collection vehicles within the Runnymede fleet are now operating on 100% HVO fuel. This fuel, depending upon blend will cut carbon emissions by up to 90%. The new vehicle will have the capability of being powered by HVO fuel which is the transition fuel approved in the Sustainable Fleet Management Strategy.

9. Risk Implications

- 9.1 DEFRA have confirmed that the new burdens funding must be spent by the end of March 2026 and the Environment Act 2021 (Commencement No. 9 and Transitional Provisions) Regulations 2024 will introduce mandatory separated food waste collections from 31 March 2026 for all households. Consequentially a large number of local authorities are procuring additional food waste collection vehicles at the same time.

- 9.2 Given these time restrictions the intention is to procure a new vehicle as soon as possible to be ready in advance and assure compliance. The expected procurement timeframe is 6-9 months so the new vehicle should be in place several months in advance of this date ready to deliver the increased service for flats.

10. Other implications

10.1 Procurement

The Contract Standing Orders require authorisation by the relevant Committee for all procurements over the amount of £100,000 in accordance with the Scheme of Delegation, Officers reporting back to the Committee on the award of the contract if the actual value is above the agreed amount.

The contract value of this project being over £100,000, it needs to be approved by Committee. The committee dealing with refuse collection and recycling being this committee, Environment and Sustainability is the correct committee to authorise this project.

A number of procurement processes are available to the Council and Competitive Tendering likely via a Framework is the most appropriate for this purchase.

The Council's e-tendering system (In-Tend) will need to be used for the procurement process.

11. Timetable for Implementation

- 11.1 The procurement process will commence once approved by CMC.

12. Conclusions

- 12.1 This report is seeking approval for the release of DEFRA capital new burdens grant funding for the purchase of one 12 tonne Refuse Collection Vehicle which will be used to collect food waste. The vehicle will be required to collect food waste from flats. From April 2026 new legislation mandates local authorities to offer a food waste collection to all households and the vehicle will support the delivery of the extended food waste collection service.

Capital release is also sought for the purchase of food caddies and food bins to support the roll out of food waste collection from flats. All purchases will be funded by the DEFRA new burdens grant which totals £175,585. All purchases will be contained within the grant funding budget envelope.

13. Background papers

- None

14. Appendices

- A Schedule of grant funding for local authorities.
- B Leaflet to promote recycling in flats
- C Email from DEFRA confirming flexible use of the grant.
- D Business Case