# LONDON BOROUGH OF CAMDEN

WARDS:

All wards

#### REPORT TITLE

Environment Services - Waste, recycling and street cleansing

# **REPORT OF**

Director of Environment and Sustainability

#### FOR SUBMISSION TO

Culture and Environment Scrutiny Committee

DATE

13 November 2023

### **SUMMARY OF REPORT**

This report provides the Culture and Environment Scrutiny Committee with current local and national work influencing Environment Services across Camden. The report gives an overview of recent community engagement work focussing on people's experience of waste, recycling and street cleansing services alongside Central Government's Waste Reform proposals being implemented over the coming years. Information is also provided on the current process for Camden's Environment Services contract renewal.

### **Local Government Act 1972 – Access to Information**

No documents that require listing have been used in the preparation of this report.

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### **RECOMMENDATIONS**

That the Committee note and comment on the contents of the report.

Signed:

Date: 1 November 2023

R. Badber

### 1. Purpose of Report

- 1.1 Reducing the amount of waste in Camden is vital to our borough becoming a more sustainable place. Camden are working hard to challenge the old linear 'take-make-dispose' approach and move towards the circular economy where we repair and reuse, whilst cutting emissions and reducing waste. As we strive to reduce the amount of carbon used in all our activities, it is also vital to cut the amount of waste overall.
- 1.3 This paper provides information on legislation, behaviour change, the move to a circular economy and resident feedback as part of the contract renewal engagement work to showing how Camden is joining up these strands of work as legislation and climate action combine with council services to make Camden a more sustainable place.

# 2. National and regional waste policies

- 2.1 The London Environment Strategy (LES)
- 2.1.1 The LES was published by the Mayor of London in May 2018 and sets out ambitious aims across a range of environmental issues. Chapter 7 focuses on waste and London boroughs requirement to act in general conformity with the Mayor's municipal waste management policies and proposals, which are demonstrated through boroughs Reduction and Recycling Plans (RRPs). RRPs evidence targets which make a meaningful contribution towards meeting the Mayor's targets. Boroughs must also act in general conformity when undertaking any waste contract procurement and/or waste strategy development.
- 2.1.2 <u>Camden's RRP</u> meets the requirements for the Mayor's minimum level of service, evidences a strong commitment to waste reduction and maximising recycling and has one of the lowest figures for waste arisings. Camden have included a target for 35% household recycling rate by 2024/25 (2021/22 recycling rate was 28.1%). There is a risk of not achieving this and the trajectory may not reach 50% by 2030, which is a risk shared by other inner London boroughs who face the same challenges in achieving high recycling rates.
- 2.2 Resources and Waste Strategy (RWS)
- 2.2.1 In 2018, the Government published the Resources and Waste Strategy which contained policies and commitments to achieve their 25-year Environment Plan with ambitions for higher recycling rates (65% recycling rate by 2035), increased resource efficiency and a more circular economy in England. This led to a number of consultations between 2019 and 2021. The proposed policy changes are summarised in sections 2.3 to 2.5.
- 2.3 Extended Producer Responsibility (EPR)
- 2.3.1 EPR will require the producers of packaging to cover the full net cost of managing packaging waste, including collection, sorting and recycling/disposal, moving this cost away from taxpayers and local authorities.

- 2.3.2 The EPR will encourage producers to think more sustainably and take responsibility for the lifecycle of their packaging, from production to disposal, by charging variable fees based on its recyclability. Payments from these charges will be made to local authorities to cover the full cost of managing packing waste, from collection, sorting and recycling to disposal.
- 2.3.3 Defra expect obligated producer costs to be around £1.7 billion each year. It is expected that producers will become liable to pay fees from 1st April 2024. Local authorities will be notified of what these estimated payments may be by 1 November 2024 with payments due to start from October 2025.
- 2.4 Deposit Return Scheme (DRS)
- 2.4.1 To increase recycling and reduce litter, the DRS will place an additional deposit fee to consumers when purchasing a drink in a single-use container, which is a 50ml to 3l sized PET drink bottle, steel or aluminium can. Retailers selling the containers must host a return point for consumers where their deposit will be returned and the containers can be collected for recycling. The DRS is due to be implemented 1 October 2025
- 2.4.2 Local authorities can expect to see a reduction in the number of DRS containers in their collected waste streams. At present, it is unknown how this separation and payment mechanism will work in practice, and the implications this will have for local authority collections and sorting infrastructure.
- 2.4.3 In London, drinks containers in scope of DRS make up <5% of household waste streams. LB Camden can expect to lose this material as residents take these containers back to deposit return points instead. However, the Government have confirmed that there will be the opportunity for local authorities to separate DRS containers found in their waste streams in order to claim the deposit amount. It is currently unknown how this separation and payment mechanism will work in practice.</p>
- 2.5 Consistency in household and business recycling (Consistency)
- 2.5.1 The consistency of collections was proposed to ensure five core materials, plastic, glass, paper/card, metal, and food waste were collected from all households and businesses in England, in separate containers. Also proposed were additional materials to be collected such as plastic film, and free garden waste collections. However, in September the Government announced this was to be replaced by a scheme called 'Simpler Recycling'. Further details are to come however the scheme will remain focussed on collecting the same core materials, of which Camden already does, but remove the requirement for this to be done separately, or by seven bins as it was referred.
- 2.5.2 It was announced in the 2021 budget that the Government have allocated £300 million towards 'new burdens' funding for local authorities to introduce separate food waste collections. It is unknown what these costs will cover such as vehicles, containers, housing units or support the ongoing costs of running a food waste service. Further, with local authorities across the country

- needing to meet this requirement by 2025, this will have significant implications for the supply chain and could mean long lead times for vehicles, containers, etc.
- 2.5.3 Approximately two thirds of food waste collected across London is edible and therefore successes in food waste reduction could limit recycling rates. However, eliminating food waste brings greater benefits in terms of carbon emissions abated than sending it to energy from waste (including anaerobic digestion) therefore reducing edible food waste, rather than just moving it from one bin (residual) to another (dedicated separate food waste), should be a priority for urban centres where collection is more challenging.

### 2.6 Waste policy challenges

- 2.6.1 It is now over four years since the publication of the RWS and huge uncertainties around the detail and implementation of each strand remain creating difficulties for longer term planning and Camden's review of the current contract with Veolia. Its implementation will be complex, especially in urban areas such as Camden where the challenges are multiple, complex and suitable solutions cannot be implemented at pace.
- 2.6.2 Behaviour change will also be key in achieving the desired outcomes and will be particularly challenging in urban environments. London's recycling rates are lower due to complex challenges of population and housing density, deprivation and high levels of transience. A low number of privately owned gardens also limits the collection of green waste available, which is a material that helps suburban and rural authorities increase the tonnage of recyclable material. Recycling performance is lower where residents share bins (communal collections), and behaviour change initiatives for urban authorities coupled with specialist infrastructure, such as food waste housing units will be essential.

### 3. Behaviour change

- 3.1 Camden encourages behaviour change to minimise waste and maximise reuse and recycling through a range of channels. The Camden ECOpoints scheme, previously known as Recycling Rewards, has been a key driver of behaviour change with Camden residents through incentivisation, information, communications and engagement. The scheme offers residents engaging actions to partake in, designed to change behaviour by informing on waste and recycling best practice and other waste hierarchy behaviours such as reuse, reducing and circularity. Around 16,000 households are currently signed up to the scheme, which has recently been enhanced with the inclusion of rewards for sustainable travel choices.
- 3.2 To raise awareness and help minimise single-use plastic and packaging, Refill Station Camden offers residents low-to-no waste ethically sourced household products on stalls located at both Queen's Crescent and Chalton Street markets. In addition, Camden recently partnered with Raze to provide traders with reusable bags for customers, who gain points each time they are used which can then be spent with a range of approved sustainable businesses.

A number of food traders in Leather Lane market are also trialling reusable 'Junee' food containers with customers.

3.3 Behaviour change is also encouraged via ongoing social media communications throughout the year, both localised and by participating in London-wide campaigns such as Eat Like a Londoner, which encourages food waste minimisation. Workshops and presentations are held by Camden Veolia on waste minimisation, reuse and recycling to schools and resident groups across the borough and support partner delivery of events such as Fix and Do where residents can learn how to repair, share or recycle their electrical devices. Camden has also supported the launch of two Library of Things hubs, where residents can borrow a wide range of household products at an affordable price. Projects including 'Think and Do', Fixing Factory and Life After Hummus also operate across the borough providing communities with services and education focussed on re-using materials and / or repairing products to ensure that resources have extended lives and so reduce our reliance on consuming new products / materials.

#### 4. Contract renewal work

- 4.1 The Environment Services contract with Veolia ES (UK) started on 1 April 2017 for an initial period of 8 years to March 2025, with the option for the Council to extend for up to a further 8 years (March 2033), the duration of which may range from 1 8 years. The options available for the Council are to either extend, reprocure or bring inhouse. An options appraisal is being undertaken alongside extension negotiations. Officers are preparing a February Cabinet decision report to proceed with the preferred option with authority for Cabinet Member and Executive Director to approve final decision and the procurement process (Tollgate 3).
- 4.2 Any changes to the existing contract and contract extension would be undertaken by mutual agreement and need to be done through the mechanisms in the existing contract (Change Notices).
- 4.3 Opportunities will be considered in this review including the electrification of the vehicle fleet and reducing operational carbon emissions, increasing social value, improving customer services and exploring circular economy opportunities and support. There are also a lot of uncertainties around future legislation changes as outlined in section 2 above.
- 4.4 The 2017 contract met a £5 million savings target in line with Camden's Financial Strategy 2015-2018 and has provided additional savings of £495k since it started. The following activities are included in the contract:
  - Domestic refuse collections, including bulky waste collections
  - Recycling collections, including food waste collections
  - Business recycling and waste collections and services, including sales and marketing
  - Cleansing (streets, parks)
  - Garden waste collections
  - Winter service

- Clinical waste
- Customer services (call centre)
- Communications and engagement
- Container maintenance, storage and provision
- Supply of bags, bins, food waste, recycling and commercial containers Removal of graffiti, drug paraphernalia and flyposting
- 4.3 The contract has an 'outcome-based' specification that informs Veolia of the service standards that must be met but not the methods of delivery needed to achieve these outcomes. The 4 contract outcomes are:
  - Increased local employment opportunities and local economic development
  - 2. Managing Camden's local environmental quality to an agreed standard
  - 3. Maximum recycling minimising waste and driving up reuse and recycling
  - 4. Driving extra surplus from business recycling and waste services
- 4.5 The Contract has 24 Key Outcome Targets (KOTs) which are used to measure performance of services delivered by Veolia and each have set performance deduction costs for any target failures. These are reviewed and agreed with Camden on a monthly basis. Since the start of the Contract in 2017, deductions have steadily decreased per annum from around £421,033 in 2017/18 to £104,210 in 2022/23. In challenging financial circumstances, the contract has continued to deliver. Notably, the flexibility of an outcomes-based approach ensured services were maintained through the pandemic and HGV driver shortages.
- 4.6 The council is always looking for area to improve, and feedback from residents and service users is important to gain a greater understanding of how to do this. These were further explored through an engagement exercise in summer 2023, the outcome of which is detailed in section 5 below.

# 5. Contract engagement work overview

- 5.1 Over Summer 2023, Camden carried out engagement with internal teams and residents to get a better understanding of Veolia's delivery of the Environment Services contract. This was to determine what is performing well, what could be better and what change would they like to see for the future service. Engagement included a facilitated resident workshop, survey, in-depth diary and interview and feedback from internal teams from Estates Management, Green Spaces and Environment Services.
- 5.2 The online survey was designed to align with the Good Life Camden framework to gain insight into residents' experiences of Camden's waste, recycling and street cleansing services. Over 800 responses were received.
- 5.3 The majority of respondents felt happy and safe with their local area as a place to live and outlined what a good service looked like to them, what it looks like when things do not go right and what is important for a future service. They highlighted the ease of reporting issues via the Love Clean Streets app and other channels as well performing areas of the service.

- 5.4 Priority areas for improvement highlighted by respondents were:
  - Collections (missed collections / delays to collections);
  - Street cleansing (increase in sweeps / washing dirty pavements / dog mess);
  - Litter bins overflowing (more frequent emptying) and more dog bins needed;
  - Tackling fly-tipping and dumped waste, and;
  - Increased enforcement / penalties to support cleaner streets.
- 5.5 Areas highlighted as important for future services were:
  - Timely and efficient collections with containers returned and no spillage;
  - Clean litter & fly-tip-free streets;
  - · Reduced plastic and packaging waste;
  - Encourage responsible behaviour through increased education;
  - Increase business accountability for waste, including more enforcement and penalties;
  - More frequent communications, plus more and clearer signage, and;
  - Community involvement to help keep areas clean.
- 5.6 The feedback also provided an insight into how education about resource use and recognition of the importance of moving to a more circular economy needs to be magnified.
- 5.7 A shift in behaviour change to move away from the linear 'take-make-dispose' approach and move towards the circular economy where we repair, and reuse cannot be achieved alone through the waste and recycling service contract with Veolia. However, the council can explore opportunities through the contract renewal work and through other opportunities help create an environment to enable, support and encourage behaviour change.
- 5.8 As highlighted earlier in the report, fundamental change in legislation to manage materials and resources differently within the economy such as those set out in the Resources and Waste Strategy are required to help facilitate a more circular economy and help shift local authority's role in managing 'waste' material.

### 6. Finance Comments of the Executive Director Corporate Services

6.1 The Executive Director Corporate Services has been consulted and has no additional comments to add.

# 7. Legal Comments of the Borough Solicitor

7.1 Legal Services have been consulted and their comments are incorporated.