

**HERTFORDSHIRE COUNTY COUNCIL
CABINET
MONDAY 16 SEPTEMBER 2002 AT 2.00 PM**

**JOINT MUNICIPAL WASTE MANAGEMENT STRATEGY
FOR HERTFORDSHIRE**

Report of the Director of Environment

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Agenda Item No.

8

revised

*(replaces the copy of
the report issued with
the agenda)*

1. Purpose of the report

To advise the Cabinet on progress with the development of a Joint Municipal Waste Management Strategy for Hertfordshire and seek formal adoption of the Final Strategy.

2. Summary

- 2.1 For the last two years the ten Hertfordshire District and Borough Councils have been working with the County Council to develop a Joint Municipal Waste Management Strategy for the County. A joint Member group known as the Hertfordshire Waste Strategy Development Group (WSDG) has overseen this work.
- 2.2 The process has been extremely thorough, involving presentations covering a wide range of waste management aspects, open hearings to establish key principles, site visits, and extensive public consultation. The knowledge gained through these processes has been instrumental in shaping the final strategy, which was formally approved by WSDG at its meeting on 17 June 2002, for individual presentation to each of the partnering councils for their formal adoption.
- 2.3 At its meeting of 25 June 2002, the Environment Scrutiny Committee reviewed the Strategy development process, and agreed two comments to Cabinet. The first was to endorse the Strategy and the second was that the Executive Member should develop a detailed County Council implementation programme through discussion with the Waste Panel, including a range of issues that the Committee saw as particularly significant as follows :
- Details of a financial model to replace recycling credits;
 - Contractual arrangements for procuring new facilities;
 - Tendering process for comparing new and differing technologies;
 - The need for formal partnership arrangements to ensure timely introduction of new infrastructure;
 - The management of Household Waste Sites;
 - To establish a Waste Planning Panel in order to bring forward a Review of Hertfordshire's Waste Local Plan.

- 2.4 This report sets out the key features of the Strategy and advises on the future implications for the County Council.

3. Conclusions

- 3.1 Working in partnership to address the growing waste problem and achieve Government targets is essential. The Strategy represents a fundamental rethink in the way the waste service is provided to the public of Hertfordshire. The Strategy also provides a robust framework to shape the future delivery of the service and the ongoing monitoring and review role of WSDG should ensure its continued relevance and implementation.
- 3.2 The Strategy received overwhelming endorsement from Hertfordshire residents during the recent consultation process, attracting almost 8,000 formal responses without any aspects of the Strategy being significantly challenged. The minor changes that were made as a result of the consultation were discussed and agreed by WSDG at its June meeting.
- 3.3 The next meeting of WSDG has been arranged for 7 October 2002, by which time all of the 11 partners will have been through their various formal adoption processes, and consideration will then be given to agreeing a timetable for implementing the Strategy.

1. Background

- 1.1 The local authorities in Hertfordshire have been working together for several years to address waste issues. For the past two years, the ten District and Borough Councils have been working with the County Council in a concerted effort to develop a Joint Municipal Waste Management Strategy (JMWMS) for Hertfordshire.
- 1.2 The Joint Member Waste Strategy Development Group (WSDG) has produced the final Strategy and is now seeking its adoption by each of the partnering local authorities.
- 1.3 The final Strategy is the result of a major consultation exercise that was carried out on the Draft Waste Strategy, between February and May 2002. The consultation process was extremely thorough, and also very successful. Almost 8,000 formal responses were received and the result was overwhelming support for the principles of the Strategy.
- 1.4 The final Strategy is, therefore, little changed from the draft version which was approved by Cabinet on 17 December 2001.

2. The context for the JMWMS for Hertfordshire

- 2.1 For the last hundred years or so, Hertfordshire's Waste has traditionally been placed in 'dustbins', collected by the local council and then dumped in local waste tip – 'holes in the ground'. The District & Borough Councils of Hertfordshire, as Waste Collection Authorities (WCAs), are responsible for the collection of all household and some commercial waste. There are a variety of all methods of collection e.g. black sacks, dustbins, wheeled bins using Direct labour or private contractors. Most towns in Hertfordshire now also provide a recycling service alongside the traditional refuse collection service and manage bring sites i.e. bottle, paper and can banks.
- 2.2 Hertfordshire County Council is the Waste Disposal Authority for Hertfordshire and is responsible for securing disposal arrangements for the waste collected by the District & Borough Councils. The County Council also manages the 19 Household Waste Sites across the county and, amongst other functions, pay Recycling Credits to the WCAs, for the waste that they take out of the disposal stream for recycling.
- 2.3 The average household in Hertfordshire generates over 1.2 tonnes of waste a year – equating to a total of 520,000 tonnes of household waste from the county as a whole last year. This total has been growing at an average rate of 3% p.a. over the last 12 years, and has been continuing to rise at nearer 5% p.a. over the last five years.
- 2.4 The majority of Hertfordshire's waste (77%) is disposed of in three landfill sites – the largest proportion is taken to Brogborough in Bedfordshire, the rest to sites in North Herts (Holwell), and Essex (Ugley). 8% of Hertfordshire's

waste mainly from SE of the county, is taken to the Edmonton Incinerator in North London for energy recovery. At present a total of almost 77,000 tonnes of Hertfordshire's household waste is recycled (approx. 14.8%).

2.5 The total cost of waste management in Hertfordshire in 2001/02 was in the order of £29m - £16.5m for the County Council and around £12.5m for the District Councils. The total costs have doubled since 1994/5, with the majority of the increase falling to the County Council, mainly due to increasing volumes and, in particular, the Government Landfill Tax introduced in 1996.

2.6 The Drivers for change: There are a number of factors that drive the need to change the way Hertfordshire's waste is managed:

- An emerging Regional Waste Strategy for the East of England is being developed which is considering the need to seek self-sufficiency of waste management processes in Counties;
- New national and European legislation has been introduced that require all authorities to achieve statutory recycling and recovery targets and reduce the level of biodegradable waste going to landfill. The National Waste Strategy has set a national recycling and composting rate of 25% by 2005/6. The Government has also set individual targets for each LA, against which they will be audited by the BV Inspectorate. (20% by 2003/4 and 30% by 2005/6 for Hertfordshire)
- Landfill space is running out. All Hertfordshire's contracts for landfilling waste will have expired by 2008. Increasingly stringent environmental standards will make it very difficult to find suitable local sites for landfill, and "exporting" our waste to Bedfordshire is not sustainable.
- Increasing costs of the waste management service at both District and County level, arising from the need to meet the statutory recycling targets, and the 'escalator effect' of the Landfill Tax.
- Public expectations are also changing. People are beginning to recognise the environmental issues around waste and are demanding better recycling services.

2.7 Hertfordshire's response: These challenges were recognised as requiring a jointly developed response between HCC and all the Districts. In April 1997, all 11 authorities committed themselves to the 'WasteAware' public campaign to raise awareness of the emerging waste issues in Hertfordshire. This was followed in October 1998 by the signing of a Memorandum of Understanding by all 11 authorities aimed at joint working towards the development and implementation of an effective and sustainable strategy. Consultants, Envirospine were appointed to develop a waste management strategy for Hertfordshire to cover the next 25 years. The Consultant's recommended strategy, which was considered by all 11 authorities in summer 2000, proposed

an approach to waste management in Hertfordshire that, would meet Government and European targets.

- 2.8 A joint member working group was then established with the objective of reviewing the Consultants work in order to develop and recommend a successful strategy for Hertfordshire. This group, named the Waste Strategy Development Group (WSDG) and chaired by County Councillor Iris Tarry, has worked extremely hard to improve and refine the Strategy over the past 18 months.
- 2.9 WSDG set itself a challenging programme of work with a view to gaining approval for a final Strategy by summer 2002. The group undertook an extensive programme of work that began by revisiting the Consultant's assumptions and recommendations, by taking evidence from environmental groups and the waste management industry. The WSDG also made visits to different waste facilities to inform it thoroughly before embarking on the process of drafting the proposed Strategy.
- 2.10 The role of WSDG so far has been a model of joint working, which has received informal complementary comments from the Department for Environment, Food and Rural Affairs on its work.

3. The JMWMS for Hertfordshire

- 3.1 A full copy of the Strategy is appended to this report and the following is a summary of the key points covered by it:
- Recognition of the need to plan to manage 970,000 tonnes of municipal waste by 2024 (based on an assumption that growth will average 2.5% per annum from the 550,000 tonnes managed in 2000/01). This decision is subject to critical annual reviews of the Strategy, to track the effects of our waste minimisation efforts as well as other legislative measures such as the Packaging Regulations.
 - To meet the statutory 20% and 30% Government recycling & composting targets for 2003/4 and 2005/6 respectively - and to recycle/compost 50% of Hertfordshire's household waste by 2012.
 - For the eleven partner authorities to pool their recycling tonnages in order to achieve the statutory standards for 2003/4 and 2005/6.
 - Retain the existing WCA / WDA roles and responsibilities for collection and disposal.
 - Encourage district councils to explore and develop joint working arrangements with neighbouring districts to achieve efficiency savings in collection systems.
 - To manage residual waste by techniques which specifically exclude mass burn incineration in Hertfordshire.
 - To explore alternative waste treatment technologies, with a view to adopting one or more systems to treat residual wastes, in order that the County complies with the requirements of the Landfill Directive.

- Where possible to promote the proximity principle – the need to find the solution to waste problems within Hertfordshire.
- To intensify the Countywide WasteAware campaign to encourage the public to minimise waste and to promote higher levels of waste re-use, recycling and general waste-awareness.
- Involve the public in managing the waste they produce by promoting source segregation at the kerbside and gaining their commitment to participate in these recycling/composting schemes.
- To establish a market development programme (ReMade) for Hertfordshire which seeks to find alternative markets for recycle thereby adding value to existing waste streams. Subject to negotiation, this initiative may occur in partnership with the neighbouring counties of Bedfordshire and Cambridgeshire or a wider consortium involving other neighbouring waste disposal authority areas.
- Explore mutual joint working opportunities between the authorities and local businesses to assist in achieving their respective obligations towards waste minimisation, recycling and the Packaging Waste Regulations.
- To shadow a ‘financial model’ - as a replacement to Recycling Credits - which incentivises and rewards the waste minimisation achievements of the district councils at the same time as encouraging greater output from the provision of recycling services.
- Monitoring and review of the achievement of targets/refinement of the strategy through the continued role of the WSDG, and the production of an annual monitoring report.

3.2 Given the growing quantity of waste, the scarcity and rising cost of landfill, and the unacceptability of incineration as a solution, the draft Strategy for Hertfordshire is based on an intensive recycling/composting approach.

3.3 In this context there are implications, therefore, for how councils should best organise their future waste collection services, how waste should be processed to ensure compliance with the statutory recycling targets; and how to deal with the residual waste that cannot be recycled.

3.4 The Strategy recommends that District Councils, as waste collection authorities, establish a 3 stream kerbside collection service for:

- dry recyclables e.g. paper glass cans and plastics
- compostable kitchen and garden waste
- residual waste

It is also recommended that the County Council provide the infrastructure to support this service i.e. necessary bulking or recycling facilities together with suitable residual waste treatment sites.

This change may provide opportunities to replace the traditional refuse collection and subsidiary recycling service with a single service that collects waste in segregated streams. Districts are also encouraged to continue to promote home composting and intensify their ‘bring’ bank schemes.

- 3.5 WSDG explored extensively the potential for a single countywide contract for collection but rejected this in view of DSO arrangements and existing contracts and local accountability. However, the Strategy now encourages cross-boundary arrangements whenever possible in order to achieve economies.
- 3.6 The Strategy advises that to meet the statutory 2005/6 recycling target of 30%, District Councils will need to provide a three-stream kerbside collection service to 50% of all households in Hertfordshire. This coverage will need to be coupled with a 70% householder participation rate, with 70% of the recyclable material being put out for recycling by these individuals. To meet the 2012 target of 50%, we will need to reach 80% of households, and achieve participation rates of around 90%.
- 3.7 The emphasis will need to be on 'opt out' rather than 'opt in' in future. Research carried out for WSDG by MORI with focus groups indicates that the public is willing to take part in recycling but only if it is made very easy, and convenient for them. There is also reluctance to pay extra for recycling/waste in general.
- 3.8 Dealing with the increased quantity of material for recycling will necessitate bulking and transfer facilities for clean recyclate, an increased number of 'clean' materials recovery facilities (MRFs) and centralised composting facilities. The Strategy details the scale/size of these likely facilities and their timing throughout the lifetime of the strategy.
- 3.9 The use of intensive kerbside recycling schemes will still leave a significant quantity of residual waste that will need to be processed/treated to reduce its biodegradable content and to recover further value before landfill. The WSDG has looked at a range of different technologies to deal with the residual waste stream, and the Strategy recommends the use of some of these technologies through long-term contractual arrangements rather than capital expenditure.
- 3.10 The potential of these techniques to meet future disposal needs have been explored through feasibility studies (appended to the Strategy). These studies have revealed that all three processes could assist Hertfordshire in complying with the Landfill Directive, avoiding the need for mass burn incineration and also contributing to a lesser extent to the Recycling/Composting Standards. Utilising these technologies will however incur greater financial costs to the County Council than the current costs of existing landfill and incineration arrangements.
- 3.11 Whilst the Districts will remain responsible for waste collection, the County Council will be responsible for the procurement of the necessary waste processing and treatment facilities in suitable locations across the County through long-term contractual arrangements.

- 3.12 An indicative programme for the introduction of treatment facilities through “gate fee” contracts is shown below and the financial implications covered in Section 5:

Financial Year		2005/6	2010/11	2012/3	2020	2024
<u>Waste Facilities</u>	Optimum capacity	Likely number required @ optimum capacity				
MRFs *	60,000p/a	2	4	4	5	6
Composting Sites	20,000p/a	3	5	6	7	8
Residual Treatment Facilities	150,000p/a	1	2	2	3	3

* May be extension of existing facilities

4. Implications for Hertfordshire County Council

- 4.1 The Waste Management Panel considered the key principles of the Strategy at its meeting on 19 September 2001 and also considered detailed comments at its meeting on 29 November 2001. The Panel’s recommendations were reported to the Cabinet at its meeting on 17 December 2001.
- 4.2 The major concerns for the County Council surround (a) the task of financing and securing suitable facilities at the right time in the appropriate locations and (b) the need for those facilities to be fully utilised by the District and Borough Councils once they are operational. A suitable written agreement between the County Council and the 10 District and Borough Councils will be necessary to overcome the latter of these two concerns. Meeting the financial commitments remains an outstanding issue.
- 4.3 The County Council will need to develop new ways of procuring waste treatment facilities based on specification contracts and will need to assess tenders using a range of performance criteria.
- 4.4 In terms of recycling, the County Council must achieve a recycling performance level of 45% through its Household Waste Site (HWS) service in order to make its contribution towards the 30% Best Value Performance Recycling and Composting Standard set for it by Government. This figure is calculated from the aggregation of the eleven individual standards that have been set for Hertfordshire, which indicate an average performance level of 25% from the ten District and Borough Councils. Achievement of the HWS recycling levels will require changes in the contractual arrangements with operators which will need to take account of possible new legislation in relation to, for example, electrical goods. The current level of recycling at household waste sites is rising steadily and now exceeds 28%.

- 4.5 The County Council is also charged with the responsibility of developing a financial model that will ultimately replace Recycling Credits and reward waste reduction. The County Council will be responsible for shadowing a new financial arrangement over the next financial year to enable local authorities to assess its impact.
- 4.6 The need for new waste management facilities to meet the needs of the Strategy will also necessitate a review of the County Council's Waste Local Plan with the need to identify significantly more locations. The review will need to commence immediately following the Strategy adoption.
- 4.7 Included in the Strategy document are recycling plans for each of the District Councils which give detailed information on how each of them intend to contribute towards the recycling standards for the County as a whole. Also included is the County Council's recycling plan which relates specifically to the contribution that will be made at the HWSs.
- 4.8 The implications for the County Council arising from the district council recycling plans is an aspect that requires further discussion as there is a degree of confusion in terms of the expectation of the County Council in relation to the short-term aspects of the recycling plans. This is an issue of detail that can be resolved through the ongoing role of WSDG.

5. Financial Implications

- 5.1 Compliance with the statutory recycling and composting standards for Hertfordshire are likely to be both challenging and costly. It is anticipated that significant increases in collection and disposal costs will be incurred over the strategy period, which equate to at least a doubling of collection and disposal expenditure.
- 5.2 The County Council's annual expenditure on performing its Waste Disposal Authority function is likely to rise from the current level of £19 million to around £37 million by the year 2024, assuming no capital outlay due to the procurement of facilities through a gate fee. The majority of this expenditure will be required to meet the cost of providing the recycling, composting and disposal infrastructure necessary to achieve the aims and objectives of the strategy against a background of increased volumes and changing gate fees.
- 5.3 The additional costs arising from waste volume growth and landfill tax to the County Council in the short term are reflected in the Medium Term Financial Forecast. These short term impacts are unchanged by the Strategy.
- 5.4 Work carried out by Envirospire in 1999 for the partner authorities advised that a doubling of collection costs, equating to an average of around £55 per household per annum, are to be expected across the ten district councils. More recent renewals of waste transport contracts are, however,

revealing a trend of price increases above the rate of inflation which may result in costs exceeding this range.

- 5.5 On average, the current cost of refuse/recycling services provided by Districts in Hertfordshire is approximately £28 per household per year. The cost of a three-stream kerbside recycling service, when introduced, is estimated to be in the region of £55 per household. To minimise future cost increases Districts are being encouraged to seek opportunities to work together across boundaries to bring economies of scale and common standards of service delivery.
- 5.6 In order to assess more accurately the costs and practical implications of the Strategy, all authorities have prepared and submitted Outline Recycling Plans to the WSDG which detail the schemes necessary to achieve the pooled countywide 2005/6 statutory recycling/composting standard. These plans are appended to the Strategy and set out in practical terms how the collection authorities will each aim to achieve a recycling/composting level of at least 25% in their area while the County Council achieves 45% on its Household Waste Sites.
- 5.7. The demand driven nature of waste management and the statutory nature of the various standards and targets, would appear to make these cost increases difficult to avoid. The Strategy may, however, provide opportunity for increased ownership of the County Council's budgetary pressures if the District Councils respond positively to the challenge of waste minimisation. This is likely to happen if the financial model that is being developed to replace recycling credits, proves to be a success.

6. Conclusions

- 6.1 Working in Partnership to both assist in addressing the growing waste problem and achieving Government targets is essential. The Strategy represents a fundamental rethink in the way the waste service is provided to the public of Hertfordshire. The Strategy provides a robust framework to shape the future delivery of this service, and the ongoing monitoring and review role of WSDG should ensure its continued relevance and implementation.
- 6.2 The next step is for WSDG to seek adoption of the Strategy by each of the partnering authorities in order that an implementation plan can be devised and introduced.
- 6.3 The County Council can therefore support this process by formally adopting the Strategy and supporting WSDG through the process of implementation.

Background information used by the author in compiling this report

Enviros Aspinwall Report – June 2000
JMWMS
Cabinet Papers 17 December 2001

Waste Panel Papers 29 November 2001 and 6 February 2002
MORI report – Household Waste Management in Hertfordshire – Phase 2 Market
Research, March – May, 2002
Scrutiny Committee Papers 25 June 2002.