



Future of Waste and Recycling: Food Waste Collection and Recycling Services

Report Author:	Ryan Finnegan , Waste and Environmental Services Manager (rfinnegan@melton.gov.uk) Michelle Howard , Director for Housing and Communities (Deputy Chief Executive) (mhoward@melton.gov.uk)
Chief Officer Responsible:	Michelle Howard , Director for Housing and Communities (Deputy Chief Executive) (mhoward@melton.gov.uk)
Lead Member/Relevant Portfolio Holder	Portfolio Holder for Governance, Environment & Regulatory Services (& Deputy Leader)

Corporate Priority:	Healthy Communities and Neighbourhoods
Wards Affected:	All
Date of consultation with Ward Member(s):	N/A
Exempt Information:	No
Key Decision:	Yes <ul style="list-style-type: none"> Income / Expenditure over £50,000 Significant impact on persons living or working in an area comprising two or more wards in the Borough
Subject to call-in:	Yes

1 Summary

- 1.1 As part of its focus on making the borough cleaner, safer and greener, Melton Borough Council’s Corporate Strategy 2024-2036 makes a specific commitment to respond to waste reform and introduce a food waste collection service, the details and requirements of which are now defined following publication of the [‘Simpler Recycling’](#) policy update.
- 1.2 Cabinet are asked to consider the options, implications and requirements to enable delivery of the Government’s Simpler Recycling requirements including the implementation of a food

waste collection service and a separate recycling collection service for paper and cardboard. Cabinet are also asked to consider the options and implications this creates for the future of the Council's Municipal Waste Services Contract.

2 Recommendations

That Cabinet:

- 2.1 **Notes the significant change in national waste policy and the impact and implications this will have on waste services within Melton and corresponding Council resources.**

Food Waste Collections:

- 2.2 **Delegate to the Director for Housing and Communities in consultation with the Portfolio Holder for Governance, Environment & Regulatory Services, authority to initiate and implement a contract variation to enable food waste collections to be included as part of the existing Municipal Waste Contract with Biffa, ensuring the service is operational by 1st April 2026, until the first contract review date in October 2028.**
- 2.3 **Noting the extensive lead time for delivery, to Delegate to the Director for Housing and Communities, in consultation with the Director for Corporate Services, authority to determine and implement the most appropriate contractual, funding and financing mechanism and capital and/or revenue budget requirements to secure up to five food waste collection vehicles to deliver the service. To note that any additional financing requirements will be included within the Council's budget reports due to be considered in February 2025.**
- 2.4 **Note that following a successful procurement exercise, an intention to award letter will be issued to the chosen supplier and a contract is in the process of being awarded for the supply of food waste caddies.**

Simpler Recycling Reforms:

- 2.5 **Approve that as part of the Council's ongoing discussions with Biffa, a formal TEEP (technically, environmentally and economically practicable) assessment be undertaken, to confirm the initial assessment that the requirement to implement separate paper and card recycling for the remainder of the existing Municipal Waste Contract period should be deferred to at least October 2028.**
- 2.6 **Delegate to the Director for Housing and Communities authority to fully evaluate future collection options, resourcing and procurement / contract requirements and to bring back a further report to Cabinet, with a view to ensuring the Council provides a Municipal Waste Service from October 2028 that balances Government requirements for Simpler Recycling with the council's financial stability and ongoing assessment of technical, environmental and economic practicability.**
- 2.7 **Note that Council will be requested as part of the budget to delegate authority to the Chief Executive, in consultation with the Director for Corporate Services, to**

access the reserves for up to £100k (beyond existing Constitutional delegations) for project management and specialist resources in support of the work requirements set out within these recommendations.

3 Reason for Recommendations

- 3.1 To progress Melton Borough Council's response to the Government's Simpler Recycling requirements including the provision of a Food Waste Collection service, and to manage associated implications.

4 Background

- 4.1 The Government has confirmed a commitment to moving towards a zero waste, circular economy and estimates that Simpler Recycling, through its aims to improve recycling rates across the country will make a significant step towards this, alongside the Extended Producer Responsibility for Packaging and Deposit Return Scheme for Drinks Containers.
- 4.2 Through Simpler Recycling, it is intended that households will be able to recycle as much waste as possible and to more frequently dispose of food waste, which will be required to be collected from all households at least weekly. As part of this [Simpler Recycling](#) reform, DEFRA have mandated (in line with the [Environment Act 2021](#)) that waste collection authorities (WCA) will be required to provide [weekly food waste collections](#) to all households. Melton Borough Council is a waste collection authority and therefore must comply with DEFRA's requirements.
- 4.3 The Government requires that councils implement Simpler Recycling Services for households by March 2026. This includes food waste collection and a requirement to collect paper and cardboard recycling separately from other dry recycling materials. Evidence suggests that separating paper and card from other recyclable materials will reduce the risk of cross-contamination and improve recycling rates and quality of recycled materials overall.
- 4.4 The new default collection streams are intended to create consistency for households across the country. The default collection streams will be:
- Food waste (mixed with garden waste if appropriate)
 - Paper and card
 - All other dry recyclable materials (plastic, metal, glass)
 - Residual (non-recyclable) waste
- 4.5 Councils may co-mingle metal, plastic and glass in a single container under the revised arrangements. Councils will also be permitted to collect food with garden waste should this be practical and affordable.
- 4.6 Simpler Recycling requires a range of changes to service delivery, and the scale of transformation and change in national policy is significant. The new default requirements will have a number of local implications including financial, contractual and logistical.
- 4.7 Local flexibility to deliver the new recycling arrangements is permitted and it is possible to create an exemption to delay implementation of some elements of the Simpler Recycling requirements by way of a TEEP (technically, environmentally and economically practicable) assessment, which responds to local context and contractual considerations.

An initial assessment indicates this may be appropriate and necessary for Melton and the rationale for this is set out further at section 5.28 of the report.

- 4.8 The [Leicestershire Resources and Waste Strategy 2022-2050](#) was approved in 2023. It was developed through a collaborative approach between district and county council partners that form the Leicestershire Waste Partnership. It has been finalised further to an extensive public consultation and sets out how the Leicestershire Waste Partnership intends to manage municipal waste up until 2050. The Strategy includes objectives and pledges which provide guiding principles and commitments to deliver the waste management service as a whole to meet the overall vision.
- 4.9 Importantly, some of the pledges contained within the Leicestershire Resources and Waste Strategy are caveated and can only be fully implemented if sufficient ongoing additional funding is provided by Government to cover the costs incurred by both the waste disposal and collection authorities respectively. Without ongoing funding assurances, there will be significant financial burdens and risks to local authorities.
- 4.10 In relation to food waste, the strategy states that “the Partnership will implement and promote separate food waste collections to all households, subject to confirmation of national policy, legislation and the provision of total ongoing Government funding. This will be as soon as required and when contracts and circumstances dictate. The County Council will procure Anaerobic Digestion capacity to treat the collected food waste in a manner that contributes to effective carbon emissions reduction across the County and improves soil quality”.

5 Main Considerations

- 5.1 Current waste collection arrangements in Melton
- 5.2 Waste Collection for households across the Borough is currently operated by Biffa, via a Municipal Waste Services Contract which commenced in October 2018. This is a significant strategic contract for the Council and one of the largest areas of spend, the current annual core contract value from October 2024 to September 2025 is approximately £1.9million. The current contract is operated on the basis of 10 years (to October 2028) plus two possible extensions of 10 years in appropriate circumstances.
- 5.3 The contract also provides street cleansing services which include mechanical street sweeping, litter picking, litter bin emptying, fly-tipping removal and fly-posting removal. The municipal waste collection element accounts for approximately 72% of the total annual core contract value at £1.4million. The contract value increases year on year in line with indexation which is calculated using a combination of labour, fuel and consumer price indices. The other financial cost to the Council for the contract is through variation orders which are ad-hoc requests for services such as bulky waste collections, clinical waste collections and bin deliveries, exchanges, removals & repairs. This variable cost can fluctuate year on year depending on demand.
- 5.4 Melton Borough Council currently operates an alternate fortnightly collection of residual waste (black bin) and fully co-mingled dry mixed recycling (brown bin). The Council also offers residents a bulky waste collection service (fee applies), clinical waste collection service (no fee) and a textiles/small electrical item collection service (no fee).
- 5.5 Fortnightly garden waste collections are provided via a subscription service which is operated directly by Biffa’s [‘Green Waste Club’](#).

- 5.6 Due to evidence of high levels of contamination of recyclable materials leading to additional disposal costs, some communal blocks in Melton Mowbray are currently served only by a residual waste collection service, however work is underway to transition to include a recycling service and further work will be required to support residents both to use a recycling service and to transition to a food waste service in the future. Consideration must also be given to supporting behaviour change and providing information to support take up of these services for those households with communal bins.
- 5.7 For residents who may be unable to present their wheeled bins, an assisted collection service is available upon application whereby the crews will collect and return wheeled bins to and from the property.
- 5.8 Household waste collected across the borough is currently dealt with in the following ways:
- Residual waste is taken directly to a waste transfer station located in Syston, Leicestershire.
 - Dry mixed recycling is bulked in large bays at the Lake Terrace Depot and hauled to a materials recovery facility based in Leicester.
 - Garden waste is bulked at the Lake Terrace depot and hauled to a composting facility in Grantham.
 - Bulky waste items are taken to a waste transfer station located in Syston, Leicestershire with the exception of waste upholstered domestic seating (due to the risk of containing Persistent Organic Pollutants, known as POPs) which require separate disposal arrangements and are taken to a disposal location in Leicester.
 - Clinical waste items are taken to a waste transfer station in Whetstone for incineration.
 - Textiles and small electrical items are stored at the depot and a contractor is appointed to remove them from site.
- 5.9 The next part of the reports considers how the council should respond to the various changes in government policy, both initially for the remaining part of the existing Waste Services Contract up to the first review period in 2028, and then longer term. The first section considers how best to meet obligations for providing a weekly food waste collection.
- 5.10 Option for future co-collection of garden and food waste (not recommended)
- 5.11 As part of the Government's Simpler Recycling policy, an exemption has been introduced to allow for co-collection of food and garden waste should this be considered appropriate. This option has been considered by the Council and the wider Leicestershire Waste Partnership and is not considered a viable option for the following reasons:
- 5.11.1 Biffa currently operates a garden waste collection service on behalf of the Council and charges a subscription fee. There are approximately 9,200 active subscriptions, which in generating an income for Biffa, form part of a more affordable annual overall waste contract for the Council. It is likely that co-collecting food waste together with garden waste would require the removal of the existing green waste charge and therefore would represent a significant loss of income to Biffa. This would therefore require a renegotiation of the waste contract and would lead to a substantial increase in costs to the Council.

- 5.11.2 LCC as disposal authority have been preparing for separate food waste collections and currently have not planned to make provision for co-collections.
- 5.11.3 When assessing the technicality, co-collecting food waste with garden waste would be required in wheeled bins instead of food waste caddies and therefore a different vehicle specification would be required. The estimated cost of a Refuse Collection Vehicle needed to collect wheeled bins is approximately £200,000 per vehicle and this would significantly exceed the Council's DEFRA capital funding allocation for vehicles which is already insufficient for purchasing the vehicles required just for food waste.
- 5.11.4 Through engagement with other authorities in the Leicestershire Waste Partnership, it is clear that there is currently no appetite from the other authorities to co-collect food waste with garden waste and therefore if the Council were to proceed with this approach, it is likely to do so in isolation.
- 5.11.5 The Council are already actively engaged in the procurement process for ordering food waste caddies to maximise quality outcomes and value for money. There is a risk that any delay in awarding the contract whilst undertaking further research into the co-collection of food waste with garden waste, would lead to the cost of caddies increasing as demand from other authorities increases.
- 5.12 Co-collection of food and garden waste is therefore not recommended for Melton, and instead, approval is sought to progress the development and implementation of a separate food waste collection service.
- 5.13 Funding a Food Waste Collection Service for Melton
- 5.14 New burdens funding (capital and revenue) is being made available to support the implementation of food waste collection services across the country, with three tranches of funding identified:
- Capital costs, for vehicles and food waste containers for a new food waste collection service
 - Transitional funding to implement and roll out the new service which includes project management support, communications and distribution of containers (this is still awaiting clarification from government and is subject to DEFRA's budget review)
 - Ongoing resource/revenue costs from 1 April 2026
- 5.15 At this stage Defra have confirmed an allocation of £564,000 capital funding to Melton Borough Council to purchase vehicles (£409,000) and food waste containers (£155,000) to deliver a food collection service. There is no funding allocated for food waste kitchen caddy liners.
- 5.16 The capital allocation is not sufficient to cover all the capital costs associated with the roll out of a new food waste collection in Melton, which creates a financial risk and further burden on the Council's limited capital resources and MTFS. An evidence based challenge has been submitted to DEFRA and at present, a revised capital allocation is awaited following an updating of the calculations for caddies and communal properties applied by DEFRA.
- 5.17 It is disappointing that a request to review the funding available for vehicles has been declined, meaning that there is a need to make provision for this in the Council's capital

strategy and budget setting process. This will be incorporated within the Council's budget reports due to be considered in February 2025.

- 5.18 Information regarding transitional funding to support implementation and ongoing revenue funding is also awaited. The absence of clarity regarding funding levels creates a risk and action will be required to assess any budgetary impacts arising when the details are known.
- 5.19 Overview of a Food Waste Collection Service for Melton
- 5.20 It is proposed that a contract variation arrangement is implemented, which will include a food waste collection service within the existing Biffa contract, enabling this to be operational from 1st April 2026 until October 2028 (during which time, a review of options will be undertaken). Procurement advice has confirmed that this is a legitimate route to secure timely operational delivery of the food waste collection requirements.
- 5.21 Delivering a food waste collection service is contingent on securing vehicles to collect and transfer food waste, and caddies for each household (indoor and outdoor) to enable food waste to be disposed of separately and collected on a weekly basis.
- 5.22 **Vehicles:** Modelling has confirmed that Melton will require five food waste collection vehicles (four 12 tonne vehicles priced at an estimated £140,000 per vehicle and one 7.5 tonne vehicle priced at an estimated £130,000, totalling £690,000). Noting the extensive lead time for delivery, it is recommended to Delegate to the Director for Housing and Communities, in consultation with the Director for Corporate Resources, authority to determine and implement the most appropriate contractual, funding and financing mechanism and capital and/or revenue budget requirements to secure up to five food waste collection vehicles to deliver the service. Any additional financing requirements will be included within the Council's budget reports due to be considered in February 2025.
- 5.23 Having undertaken an initial assessment of options between purchase or hire of vehicles, it has been concluded that purchasing the vehicles would offer better value for money as it would retain a residual value at the end of the current contract period which could be utilised to generate a potential revenue cost reduction in the new contract term. This will be further assessed to determine the most appropriate contractual, funding and financing mechanism and capital and/or revenue budget requirements.
- 5.24 **Caddies:** Following a successful procurement exercise, an intention to award letter has been issued to the chosen supplier and a contract is in the process of being awarded for the supply of food waste caddies. The development and use of a framework agreement has enabled a collaborative approach between Leicestershire districts which will support consistency and has secured value for money.
- 5.25 In terms of the service for households, each household will receive a 7 litre internal caddy and a 23 litre external caddy. Residents will receive a weekly collection of their 23l food waste caddy. The service will operate across 4 rounds over 5 days a week using a combination of 12 tonne and 7.5 tonne food waste collection vehicles which will tip directly at a waste transfer station.
- 5.26 Leicestershire County Council are responsible for procuring an anaerobic digestion facility suitable for the disposal of food waste. At present, Leicestershire County Council have advised that the anaerobic digestion facility is based in Atherstone and therefore the current waste transfer station indicated for Melton Borough Council will be Loughborough -

although this is not yet confirmed at this stage. It is assumed that each vehicle will have enough capacity to only have to complete one tip per day at the waste transfer station which alleviates concerns around multiple trips to/from Loughborough.

Communal properties will require some further assessment and planning owing to potential additional complexities around bin storage space and participation. A delayed roll out of the food waste collection service for communal properties may be required dependent on the outcome of additional modelling, assessment, planning and funding. Should such a delay be considered necessary, a formal update will be provided to Cabinet, and the communications plan will take account of this if necessary to ensure members and residents are kept informed.

- 5.27 The next part of the report considers the wider requirements related to Simpler Recycling.
- 5.28 TEEP Assessment – Separate Paper and Card Recycling
- 5.29 Local flexibility to co-collect paper and card with other dry materials remains where separate collection is technically or economically impracticable. This can be assessed by way of a TEEP assessment which councils can use to assess whether this applies, and to produce a written assessment to explain any decision to apply this local flexibility.
- 5.30 An initial assessment has identified that a TEEP assessment and statement is appropriate for Melton Borough Council for the following reasons:
- 5.30.1 The Council is currently in a contract with Biffa until October 2028, with the potential to extend for up to two further periods of ten years.
- 5.30.2 Implementing a whole new service would require a variation to the existing contract and this may increase costs which would need to be met within the Council's existing budget as DEFRA have not indicated that any additional funding will be made available to support the roll out of a separate paper and card collection.
- 5.30.3 The Council currently bulks all dry mixed recycling at the Lake Terrace Depot. This is then transported to the Materials Recycling Facility via a haulage provider. The bulking areas are outdoors and not covered. The rationale behind the new default for paper and card to be collected separately is to increase quality of material, however bulking the paper and card separately outdoors would not provide any better quality given that it is likely to get wet. Changes to the Lake Terrace Depot will require capital investment, which will need to be considered at the same time as the long term future of the contract and service delivery options are assessed.
- 5.31 The requirement to collect paper and card separately would require the provision of a new receptacle to all households across the borough. To ensure the quality of the material, these would likely need to be wheeled bins. As of October 2024, a 240l bin from our supplier costs £21.30 per unit and therefore to provide these to approximately 23,500 properties (not including communal properties) would cost the Council in the region of more than £500,000, plus the cost of arranging delivery of receptacles. This cost does not include distribution of the wheeled bins to households.
- 5.32 There is not currently sufficient space to temporarily store an additional 23,500 wheeled bins given that this area has already had to be designated to store food waste caddies and new food waste collection vehicles to meet the mandatory food waste collection requirements.

- 5.33 The Council will already be implementing a significant change to residents by asking them to separate food waste from their residual black bin and therefore implementing another significant service change at the same time creates a risk that residents will not engage with the new collection service, especially food waste and this could see a reduction in tonnage of food waste diverted from landfill. Communal properties will need additional consideration and engagement to understand the best way of implementing a collection system at these types of properties. Implementing the separate collection of paper and card would divert resources and attention away from food waste which is already a complex corporate project for the council.
- 5.34 It is recommended that a full TEEP assessment is undertaken for Melton Borough Council, and provided that the full assessment confirms the initial assessment's findings, that a statement is produced to validate and confirm the Council's intention to defer the implementation of a paper and card recycling service. This would allow for the introduction of paper and card recycling as a separate recycling stream to be deferred until at least October 2028, which is when the initial ten year period of the existing Municipal Waste Service contract with Biffa comes to an end (note, the contract allows for two periods of extension of up to ten years in some circumstances). Further modelling will determine whether the introduction of the additional recycling as part of the overall contract (alongside food waste, recycling and residual food waste collections) can be achieved through a contract variation process, or, whether a full procurement exercise is needed.
- 5.35 Future Waste Collection Options beyond 2028 – Modelling
- 5.36 In 2018, the Council entered into a long term waste municipal waste contract with Biffa, initially for ten year, but with opportunities to extend for a further two periods of ten years. As the report has set out, it is necessary and appropriate for the Council to negotiate a variation with Biffa within the current contract period, up to the first review in October 2028. This will ensure the Council is able to meet its obligations to introduce food waste collections in 2026, and to ensure it has properly considered the wider implications associated with Simpler Recycling.
- 5.37 Beyond 2028, in the context of such significant changes in government policy, it is necessary for the Council to fully consider all waste collection options and to fully evaluate the best value, financial, environmental, practical and legal implications associated with each. Accordingly, it is proposed that the Council should undertake a comprehensive analysis of waste collection options and report the findings back to Cabinet to enable the decision making regarding future arrangements.
- 5.38 The options appraisal will need to include the following:
- 5.38.1 **Residual** - current service as the baseline compared with three-weekly residual waste collections **or** transition to a smaller sized residual bin
- 5.39 **Recycling** - current service as the baseline compared with alternate fortnightly collection of paper and card during week one and glass, cans and tins during week two **or** collection of paper and card every two weeks, and collection of glass, cans and tins every two weeks.
- 5.40 Officers will identify the most appropriate route for evaluating these options, and will work with the existing contractor, Biffa to ensure any modelling and analysis is based on actual data and performance.

5.41 Any modelling undertaken will require independent expert validation and assessment, the outcome of which will be considered by the Council's Scrutiny Committee before the details and recommended approach are considered by Cabinet later in the year. This assessment will also include any contractual and procurement implications relating to the council's existing waste contract beyond 2028.

5.42 Resourcing

5.43 Cabinet are asked to note the significant change in national waste policy and the impact and implications this will have on waste services within Melton and corresponding Council resources. Implementing food waste collection arrangements, alongside consideration and implementation of the future of waste collection arrangements will require a programme of transformation, supported by expertise, capacity and external support. The nature of the programme of work will be determined by the outcome of the modelling undertaken and associated contractual and / or procurement requirements.

5.44 It is clear that there is a need to resource this work to deliver what is required. As such, and to allow for the specific resourcing requirements to be assessed and progressed, it is proposed that authority is delegated to the Chief Executive, in consultation with the Director for Corporate Services, to access the reserve for up to £100k (beyond existing Constitutional delegations) for project management and specialist resources in support of the work requirements set out in the report. This will be included with the budget reports.

5.45 Local Government Reorganisation (LGR) / Devolution

5.46 The recently published English Devolution White Paper creates the potential for significant change within local government. It will be necessary to assess any changes or implications arising as the overall programme of work progresses. Unless such time as any change is required, the programme of work will progress as set out in this report. Uncertainty created by the potential changes to Local Government structures is identified as a risk and will need to be managed accordingly for this and other corporate programmes

6 Options Considered

6.1 As set out in the report, co-collection of food and garden waste is not recommended for Melton, and instead, approval is sought to progress the development and implementation of a separate food waste collection service, operational from 1st April 2026.

6.2 As set out in the report, following an initial assessment and subject to a full TEEP assessment, it is not recommended that the Council implement a separate paper and card recycling service from April 2026.

6.3 The Council could choose to remove its existing textiles/electrical item collection service; however, this contributes to the Council's recycling rate, and it is recommended that this remains.

6.4 Due to increased disposal costs for items that may contain POPS (persistent organic pollutants), officers have reviewed and revised the bulky waste charging structure within the fees and charges from April 2025, to support cost neutrality for delivery of the bulky waste service within three years.

- 6.5 Clinical waste collections are a requirement, and the Council has seen an increase in demand. This creates a cost to the council and the legislation does allow councils to charge for this service. At this stage, no charge is applied (and many councils do not charge), but this is an aspect of service delivery that would benefit from a review, supported by an Equality Impact Assessment.
- 6.6 A review of modelling of future service delivery options will allow Cabinet members to consider future arrangements through a separate report. This may include considerations regarding frequency of collections, size of receptacles and options to support behaviour change to maximise recycling rates across the Borough.

7 Consultation

- 7.1 At this initial stage, extensive consultation and engagement has been undertaken with finance, procurement and legal colleagues, leading to the initial assessment that a TEEP assessment is appropriate, to consider and progress options to deliver a food waste collection service from April 2026 and to consider the longer term contractual and service delivery arrangements. The Council must seek to balance Government requirements for Simpler Recycling with the Council's financial stability and ongoing assessment of technical, environmental and economic practicability.
- 7.2 Food waste collection is being managed as a corporate project, and this will need to be further expanded to incorporate the future of waste collection as set out in the Simpler Recycling Policy update of 29th November 2024. The project group will consider how best to communicate and engage with households regarding the implementation of food waste collection and future service delivery arrangements. A range of Council teams will be involved in this including the Housing Team who will have a key role in engaging with and supporting Council tenants, particularly those who live in communal properties.
- 7.3 The Council continues to engage with councils in Leicestershire and Rutland and plays an active role in the Leicestershire Waste Service Partnership.
- 7.4 A Scrutiny Committee workshop will take place when the modelling (set out at section 5.35) has been undertaken. This will enable the committee to consider options for waste collection arrangements from October 2028 onwards and to provide recommendations to Cabinet. The Committee will also be able to consider the TEEP assessment and position statement, which will seek to defer the implementation of a separate paper and card recycling service until at least October 2028.

8 Next Steps – Implementation and Communication

- 8.1 This will be managed as a Corporate Project, reporting to the Helping People Board as part of the Council's Project Management framework. This is a large and complex project, and at this stage there are uncertainties regarding the future options and requirements beyond 2028 which will be made clearer through the modelling work outlined in the report.
- 8.2 Immediate action will be taken in collaboration with legal and procurement colleagues to vary the existing Municipal Waste Services Contract with Biffa to include food waste as an addition waste stream and to arrange the implementation and mobilisation of this service. Action will be taken to ensure the provision of vehicles and caddies, and consideration is given to the need to include provision for capital funding for vehicles within the budget

setting process. Every effort will be made to reduce the need to draw on the Council's reserve but the funding allocation from DEFRA is not currently considered sufficient. A communication plan will be developed, to support householder awareness and take up of a food waste collection service.

- 8.3 Liaison with DEFRA regarding funding to support the implementation and delivery of a food waste collection service will be ongoing. At present, a revised capital allocation is awaited, following an updating of the calculations for caddies applied by DEFRA. Information regarding transitional funding to support implementation and ongoing revenue funding is also awaited.
- 8.4 Local flexibility to co-collect paper and card with other dry materials remains where separate collection is technically or economically impracticable. This can be assessed by way of a TEEP assessment which Councils can use to assess whether this applies, and to produce a written assessment to explain any decision to apply this local flexibility. An initial assessment has identified that a TEEP assessment and statement is appropriate for Melton Borough Council and a full assessment to validate and check this assumption will be carried out.
- 8.5 Modelling to inform consideration of longer term waste collection and policy arrangements for Melton will be formally commissioned. The outcome of the modelling will be shared with the Scrutiny Committee and will support discussions both in terms of policy direction and procurement / contractual options.

9 Financial Implications

- 9.1 This report outlines a significant change in national waste policy and the impact and implications this will have on waste services within Melton and corresponding Council resources. There are a number of risks, which are detailed at section 15 of this report.
- 9.2 The report refers to the need for a significant and fast paced transformation programme, and it is considered necessary to enable access to the reserves for up to £100k (beyond existing Constitutional delegations) for project management and specialist resources in support of the work requirements set out within these recommendations.
- 9.3 The capital allocation (£564,000) is not adequate to cover all the capital costs associated with the roll out of a new food waste collection in Melton, which creates a risk. At present, a revised capital allocation is awaited, following an updating of the calculations for communal bins and caddies applied by DEFRA, however, a request to review the funding available for vehicles has been unsuccessful meaning that there is a need to make provision for the additional unfunded costs in the Council's budget. Options are also being explored to provide these vehicles through the contract thereby incurring revenue rather than capital costs. Noting the extensive lead time for delivery, it is necessary to Delegate to the Director for Housing and Communities, in consultation with the Director for Corporate, authority to determine and implement the most appropriate contractual, funding and financing mechanism to secure up to five food waste collection vehicles to deliver the service. Any additional revenue or capital requirements will be included within the Council's budget reports due to be considered in February 2025.
- 9.4 It is positive that the proactive work undertaken to secure the provision of caddies has demonstrated value for money and is affordable within the specific caddy allocation.

- 9.5 Information regarding transitional funding to support implementation and ongoing revenue funding is also awaited. The absence of clarity regarding funding levels creates a risk and action will be required to assess any budgetary impacts arising when the details are known.
- 9.6 The TEEP assessment is considered necessary to confirm the initial assessment that the requirement to implement separate paper and card recycling for the remainder of the existing Municipal Waste Contract period should be deferred to October 2028. It is also necessary to model and fully evaluate future collection options, resourcing and procurement / contract requirements and to bring a further report to Cabinet, with a view to ensuring the Council provides a Municipal Waste Service from October 2028 that balances Government requirements for Simpler Recycling with the councils financial stability and ongoing assessment of technical, environmental and economic practicability.
- 9.7 The additional burden these requirements place on the Council in terms of both revenue and capital is adding considerably to the pressures that are already on the council's financial sustainability. The uncertainty is also making it difficult to plan financially for the level of resources needed and therefore the quantum of gap that exists in the Council's finances and as a consequence will need to be found from savings elsewhere.

Financial Implications reviewed by: Director for Corporate Services

10 Legal, Procurement and Governance Implications

- 10.1 Local authorities already have a duty under the Environmental Protection Act 1990 to collect household waste in their area. This duty will be enhanced under the Environment Act 2021 to require weekly food waste collections to commence by 1st April 2026. This report sets out a process to work toward achieving this however, continued support from Legal, Finance and Procurement colleagues must continue to ensure this can be achieved in a lawful, compliant and value for money way.
- 10.2 The Council requires a contract to be in place to meet new statutory requirements for the provision of a weekly food waste collection by 1st April 2026. It is the intention to award a contract variation to the current waste collection contractor to meet this requirement provided that this is within the requirements of regulation 72 of Public Contract Regulations (PCR) 2015 and/or the Procurement Act 2023 as applicable.
- 10.3 Waste Collection authorities are permitted to determine the most appropriate approach to residual waste and dry recycling collections in their area using a TEEP (technically, environmentally and economically practicable) assessment. It is appropriate for the Council to assess the need to defer implementation of the new paper and card recycling collection for the remainder of the existing waste contract period (until October 2028). The Waste (England and Wales) Regulations 2011 currently make provision for TEEP assessments and require the Council to prepare an evidence based written statement confirming that continuing the current arrangements either:
- 10.3.1 will result in a comparable quality of recyclable material,
- 10.3.2 would deliver the best environmental outcome,
- 10.3.3 is technically more feasible than the new requirement having regard to good practices of waste collection, and/or,

10.3.4 would be the most cost effective.

The Council would need to show that this approach is properly supported by evidence and will need to ensure that it is a defensible decision, otherwise the exemption would not apply.

Legal Implications reviewed by: Monitoring Officer.

11 Equality and Safeguarding Implications

11.1 Under the equality duty (set out in the Equality Act 2010), public authorities must have 'due regard' to the need to eliminate unlawful discrimination and consider the potential impact decisions and actions on each of the protected characteristics.

11.2 When the modelling work has been undertaken and policy recommendations are formed, an Equality Impact Assessment will be carried out prior to any decision making in relation to the future of waste collection service delivery and future policy position.

12 Data Protection Implications (Mandatory)

12.1 A Data Protection Impact Assessments (DPIA) has not been completed because there are no risks/issues to the rights and freedoms of natural persons.

13 Community Safety Implications

13.1 The Council has a duty in accordance with S17 Crime and Disorder Act 1988, when exercising its functions, to have due regard to the likely effect of that exercise of those functions on and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social behaviour).

13.2 This duty has been considered and there are no community safety implications arising from the report.

14 Environmental and Climate Change Implications

14.1 The Government has confirmed a commitment to moving towards a zero waste, circular economy and estimates that Simpler Recycling, through its aims to improve recycling rates across the country will make a significant step towards this, alongside the Extended Producer Responsibility for Packaging and Deposit Return Scheme for Drinks Containers.

14.2 Through Simpler Recycling, it is intended that households will be able to recycle as much waste as possible and to frequently dispose of bad smelling food waste, which will be required to be collected from all households at least weekly.

14.3 As part of its focus on making the borough cleaner, safer and greener, Melton Borough Council's Corporate Strategy 2024-2036 makes a specific commitment to respond to waste reform and introduce a food waste collection service, the details and requirements of which are now defined following publication of the ['Simpler Recycling'](#) policy update. The recommendations make a positive contribution to these commitments, whilst also seeking to balance contractual and financial sustainability implications through the proposed TEEP assessment.

15 Risk & Mitigation

- 15.1 Implementation of food waste collection arrangements has been added to the strategic risk register and is considered high risk. Mitigations are in place. Implementation of simpler recycling reforms for recycling and residual waste has also been added to the strategic register and is considered high risk. Mitigations are in place, including the proposed TEEP assessment to create an exemption pending the modelling and consideration of future waste collection arrangements and policy position.
- 15.2 There is a project risk register in place for the Helping People Board, which will oversee the development and implementation of this corporate transformation project.
- 15.3 The table below identifies the key risks directly relevant to this report:

Risk No	Risk Description	Likelihood	Impact	Risk
1	Financial: Shortfall in Capital Funding to deliver a Food Waste Collection Service	6	3	High
2	Financial: Uncertainty regarding Transitional and Revenue Funding to deliver a Food Waste Collection Service and associated impact on the Council's financial sustainability	6	3	High
3	Legal and Contractual: Inability to enable a contract variation to ensure food waste service to be operational by 1 st April 2026	3	3	Medium
4	Legal and Contractual: Uncertainty regarding contract and service delivery options from 2028.	4	3	Medium
5	Service Delivery / Sector Demand: Inability to secure food waste caddies and / or vehicles within the lead in times leading to inability to mobilise service in time.	3	3	Medium
6	Financial: Affordability of a revised service / contract from 2028 that incorporates all elements of the Simpler Recycling policy and associated impact on the Council's financial sustainability.	5	3	High
7	Reputational: Negative public perception / reaction regarding the Council applying an exemption (TEEP assessment) from implementation of a separate paper and card recycling service from April 2026.	3	2	Low
8	Service Delivery / Recycling Rates: Limited take up or behaviour change	4	2	Medium

	limits the volume of food waste collected.			
9	Service Delivery / Recycling Rates: Exemption to delay separate paper and card recycling service (TEEP assessment) limits ability to maximise recycling rates.	4	2	Medium
10	Local Government Structure: Uncertainties created following White Paper on Local Government Reorganisation / Devolution.	3	2	Low
11	Expertise and Resourcing: Lack of capacity and / or expertise to deliver the transformation required.	5	3	High

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/definition	1	2	3	4
	6 Very High			1, 2	
	5 High			6, 11	
	4 Significant		8, 9	4	
	3 Low		7, 10	3, 5	
	2 Very Low				
	1 Almost impossible				

Risk No	Mitigation
1	<p>Financial: Shortfall in Capital Funding to deliver a Food Waste Collection Service</p> <p>The capital allocation is not adequate to cover all the capital costs associated with the roll out of a new food waste collection in Melton, which creates a risk. At present, a revised capital allocation is awaited, following an updating of the calculations for caddies applied by DEFRA, however, a request to review the funding available for vehicles has been unsuccessful meaning that there is a need to make provision for this in the Council's capital strategy and budget setting process.</p>

2	<p>Financial: Uncertainty regarding Transitional and Revenue Funding to deliver a Food Waste Collection Service</p> <p>There is currently no certainty or indication of the level of transitional or revenue funding available. This is a risk to the Council's financial sustainability, and the Council will need to update its budget projections when this information is available. In the meantime, every effort must be made to secure value for money within the contract variation arrangement.</p>
3	<p>Legal and Contractual: Inability to enable a contract variation to ensure food waste service to be operational by 1st April 2026</p> <p>Extensive work has been undertaken to ensure a contract variation is a legitimate approach to enable the service to be operational by April 2026, until October 2028. Subject to Cabinet approval, the variation will be progressed. Recommendation 2.2 refers.</p>
4	<p>Legal and Contractual: Uncertainty regarding contract and service delivery options from 2028.</p> <p>The proposed modelling will be key to informing future policy and service delivery options. Recommendation 2.6 refers and will enable the evaluation of future collection options, resourcing and procurement / contract requirements. It is proposed to bring back a further report to Cabinet, with a view to ensuring the Council provides a Municipal Waste Service from October 2028 that balances Government requirements for Simpler Recycling with the councils financial stability and ongoing assessment of technical, environmental and economic practicability. Arrangements are in place to enable scrutiny review of the modelling and associated policy options / implications.</p>
5	<p>Service Delivery / Sector Demand: Inability to secure food waste caddies and / or vehicles within the lead in times leading to inability to mobilise service in time.</p> <p><u>Caddies</u>: Proactive work has been undertaken to secure the provision of caddies. Led by Welland Procurement, a framework was developed through which a number of Leicestershire Councils have worked together to achieve economies of scale and a timely procurement outcome. Recommendation 2.4 refers.</p> <p><u>Vehicles</u>: The current lead time for vehicles is 6-9 months. Action is required to secure vehicles, the mechanism through which is dependent on the decision to vary the existing Biffa contract. Recommendation 2.3 refers.</p>
6	<p>Financial: Affordability of a revised service / contract from 2028 that incorporates all elements of the Simpler Recycling policy and associated impact on the Council's financial sustainability.</p> <p>The proposed modelling will be key to informing future policy and service delivery options. Recommendation 2.6 refers and will enable the evaluation of future collection options, resourcing and procurement / contract requirements. It is proposed to bring back a further report to Cabinet, with a view to ensuring the Council provides a Municipal Waste Service from</p>

	<p>October 2028 that balances Government requirements for Simpler Recycling with the councils financial stability and ongoing assessment of technical, environmental and economic practicability. Arrangements are in place to enable scrutiny review of the modelling and associated policy options / implications.</p>
7	<p>Reputational: Negative public perception / reaction regarding the Council applying an exemption (TEEP assessment) from implementation of a separate paper and card recycling service from April 2026.</p> <p>A reputational impact is possible, particularly if neighbouring authorities move towards implementing this change by April 2026, however, it is unlikely that all council's will be able to do so, and the TEEP assessment is a legitimate assessment tool to support a decision to delay implementation. There is flexibility within the Simpler Recycling Policy to carry out such an assessment, providing it leads to a defensible decision. The Council will need to produce a statement to explain its TEEP assessment and be ready to answer any questions from households, whilst also encouraging proactive recycling behaviours to reduce the risk of cross-contamination within dry-mixed recycling.</p>
8	<p>Service Delivery / Recycling Rates: Limited take up or behaviour change limits the volume of food waste collected.</p> <p>This is a risk for all councils, and learning from those who have already successfully implemented food waste collection services will be important. The provision of caddy liners is expected to be a positive influence, but these are not being funded by DEFRA. The affordability of funding caddy liners by way of a starter pack and / or ongoing provision will need to be properly assessed and costed. Specific work to support take up in areas with communal bins will be required, and the council's housing team will be directly engaged in the project group. A clear and coherent communications plan will be required.</p>
9	<p>Service Delivery / Recycling Rates: Exemption to delay separate paper and card recycling service limits ability to maximise recycling rates</p> <p>The purpose of introducing a separate paper and card recycling stream is to improve the overall quality of recycled materials and reduce the risk of cross-contamination. It is likely that recycling opportunities would be enhanced through the addition of this waste stream, however, a balance is required in the context of the council's current contract, procurement obligations and financial sustainability. The TEEP assessment will consider the implications.</p>
10	<p>Local Government Structure: Uncertainties created following White Paper on Local Government Reorganisation / Devolution</p> <p>It will be necessary to assess any changes or implications arising as the overall programme of work progresses. Unless such a time any change is required, the programme of work will progress as set out in the report. Uncertainty created by the potential changes to Local Government structures will need to be managed accordingly.</p>

11	<p>Expertise and Resourcing: Lack of capacity and / or expertise to deliver the transformation required</p> <p>Recommendation 2.7 refers, enabling access to funding from an appropriate reserve for project management and specialist resources in support of the work requirements set out in the report.</p>
----	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

16 Background Papers

16.1 [Simpler Recycling in England: Policy Update](#) (29th November 2024)

16.2 [Leicestershire Waste and Resources Strategy 2022 - 2050](#)

17 Appendices

17.1 None