

Warwickshire Waste Partnership

17 September 2014

Position Statement –Commercial (Trade) Waste Collection in Warwickshire

Recommendations

The Waste Partnership is recommended to note the contents of this report

1.0 Introduction

1.1. The Environmental Protection Act 1990 requires local authorities to “arrange for the collection of commercial waste, if requested (Section 45 (1)(b)) and a reasonable charge made for its collection (Section 45(4)). In other words should a request be made by a business to collect commercial waste, then the waste collection authority, must make the necessary arrangements and should recover all related costs.

2.0 Background

2.1. During the Waste Partnership meeting dated 11 March 2014, it was suggested that it would be useful to have an update on the status of Commercial Waste collections within the Warwickshire Local Authorities.

2.2. Under *Section 5- Minutes of the previous meeting and matters arising* of the Waste Partnership meeting on 18 June 2014 highlight the requested report on Trade Waste and the agreement that Warwick District Council would lead on the initiative with help from Warwickshire County Council.

2.3. This report is intended as a position statement on which local authorities within Warwickshire offer what Commercial Waste Collections and suggests the options available for any desired way forward.

3.0 Local Authority Commercial Waste Collections within Warwickshire

3.1. Summary of Services

3.2 North Warwickshire Borough Council

Commercial Waste Collection Service offered.	Yes.
No. of Customers (approx.)	300
Weekly collection of 1100 litre bin	£210.80 + VAT.

*Waste & Resource Action Programme Survey 2010

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3.3 Nuneaton and Bedworth Borough Council

Commercial Waste Collection Service offered.	Yes.
No. of Customers (approx.)	560
Weekly collection of 1100 litre bin	£698 + VAT

3.4 Rugby Borough Council

Commercial Waste Collection Service offered.	Yes.
No. of Customers (approx.)	1040
Weekly collection of 1100 litre bin	£503.83 + VAT

3.5 Stratford District Council

Commercial Waste Collection Service offered	No.
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3.6 Warwick District Council

Commercial Waste Collection Service offered	No.
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4.0 Amount of Trade Waste Collected in Warwickshire

4.1 The total tonnage of trade waste collected in 2013/14 was **7,341 tonnes**, which is **2.7%** of the overall municipal waste figure.

5.0 A Business Perspective

5.1 On a national basis there are many local authorities who do not offer Trade Waste refuse or recycling services. In 2010*

- 65% of local authorities in England offered a residual trade waste service
- 43% of local authorities in England offered a trade recycling service
- 37% of local authorities in England that provided a residual trade waste service did not offer a recycling service

5.2 Businesses producing small quantities of waste, which are reliant on private waste/recycling companies, are often not able to take advantage of the economies of scale available through waste contracts

5.3 The Federation of Small Businesses (FSB) has offered the following solutions for small businesses:-

- **Short term.** Local authorities fund Household Waste and Recycling Centres in their areas which provide non-commercial waste and recycling facilities for the public.
- Government should remove “duty of care” regulation red tape for small firms for small quantities of waste.
- Government to look at EU definition of waste.

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- FSB urge Defra to encourage waste management companies to promote waste hierarchy to their smaller clients.
- FSB believes enforcement bodies, such as Environment Agency should adopt a lighter touch approach to small businesses given the small volumes of waste produced.
- **Long term.** The FSB believes the planning system has a role to play in helping SME's gain adequate access to waste/recycling facilities. One of the barriers that stop small businesses from recycling more is the lack of suitable storage space for recyclates.
- FSB urges the government to explore the potential for upstream incentives to encourage businesses to “design out” waste and “design in” recovery of materials during the manufacturing stage.

6.0 Local Authority Perspective

6.1 Typical issues

- Lack of clarity about whether the service actually provides a return and who “owns” it.
- Poor overall value for the public pound due to a lack of joined up thinking between Waste Collection Authorities (WCA) and Waste Disposal Authorities (WDA) i.e. the actions by one party can provide a local financial benefit but adversely impact on others as a consequence.
- Can be a provider of last resort for those unattractive to the private sector i.e. single weekly collections, outlying locations etc.
- General operating inefficiency (routing, adverse labour costs, outmoded work practices etc.) and un-commercial practices e.g. loose service contracts, inflexible and published price structure, lack of sales and marketing skills.
- Issues over application of Controlled Waste Regulations (Schedule 2)

6.2 Drivers for collecting commercial recycling**

Income and income protection

- LA's can recover all the costs associated with providing a commercial waste/recycling service. Under Section 95 of the Local Government Act 2003 an authority may set up a wholly council owned trading company to deliver commercial waste/recycling services.

Avoiding costs and thriving economy

- A thriving economy is linked with the profitability of its local businesses.

Reinforce household recycling and reputation

- Providing a commercial recycling service could mean a local authority is seen as leading by example, reinforcing the message that recycling is part of daily life.

Reduce mis-use of household services

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- A 2010 Defra survey revealed that 41% of English “micro-businesses use household services to dispose of and recycle their waste.

Demand for the service

- The Federation of Small Businesses reports that 95% of small businesses would recycle more if they had access to better facilities.

Optimising resources

- Existing commercial residual customers would be willing and able to adopt recycling services if the cost, service and environmental benefits of this approach could be demonstrated.

Planning Policy

- Local Authorities can influence the improvement in standards of commercial waste management and levels of planning. All planning applications for change of use or new developments should include adequate provision for waste management.

Legislation

- Legislation is a driver for provision of commercial waste services

6.3 Fundamentals for Local Authorities to consider

- The service needs to cover all the costs and give value for money to the “public pound”.
- Establish how efficient the operation really is – review against private sector peers
- Ensure the commercial framework of the business is robust. Critically review the pricing structure and contractual arrangements
- Consider whether the service offering is appropriate e.g. lack of weekend service etc.
- Be prepared to defend business aggressively to prevent losing business.

7.0 Barriers and potential solutions to Small Medium Sized Enterprises (SME’s) recycling

Barriers	Potential measures to overcome
<p>Low volumes of materials SME can generate relatively low volumes of materials Low volumes, or their perception, were cited as key reason for SME’s not recycling in a DEFRA 2010 study (See 5.3 above)</p>	<p>Collect from a high number of businesses in as dense an area as possible Where appropriate co-collect household and commercial materials for maximum efficiency Conduct waste audits to determine actual volumes Consider commercial recycling bring/drop-off centres</p>

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<p>Cost and volume As volumes can be relatively small, it can be difficult to demonstrate cost savings</p>	<p>Work with businesses individually to work out their waste management needs Highlight the environmental and social benefits of recycling</p>
<p>Lack of Service Provision i.e. rural areas</p>	<p>Develop services where appropriate</p>
<p>Lack of awareness of recycling services Lack of information on available services</p>	<p>Better promotion of services</p>
<p>Lack of time/resources SME's do not usually have an internal resource to establish and manage a recycling scheme.</p>	<p>Engage with internal decision maker Ensure service is as user friendly as possible</p>
<p>Cost Business perception that recycling should be free of charge and/or included in business rates</p>	<p>Provide case studies of businesses that are saving money by recycling.</p>
<p>Cost and mis-use of household services Many SME's use household, both knowingly and unknowingly. SME's that operate from their personal residence are able to dispose of waste/material within their household collection service.</p>	<p>Inform businesses of waste legislation Introduce permit schemes at HWRC's to reduce mis-use</p>
<p>Tight Cash Flow Cash flow can be problematic for businesses</p>	<p>Payment monthly by direct debit "Pre-paid" sacks</p>
<p>Space SME's may lack space to collect and store materials for recycling</p>	<p>Provide flexibility in terms of containment options and/or more frequent collections</p>
<p>Centrally managed contracts Some businesses do not procure goods or services on site, but have them managed by Head Office</p>	<p>Ensure contact with key decision maker</p>
<p>End of use doubts Doubts as to whether materials are being sent to landfill regardless or dumped in developing countries.</p>	<p>Provide simple audit information</p>
<p>Need for confidentiality</p>	<p>Provide information on security Provide service for shredded paper</p>

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