

Report of:	Head of Housing and Waste Management
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Key Decision:	Yes
Report Track:	Cabinet: 23/04/15

CABINET**23 APRIL 2015****TECHNICALLY, ENVIRONMENTALLY AND ECONOMICALLY PRACTICABLE (TEEP) ASSESSMENT****1 Purpose of Report**

- 1.1 To consider the Council's assessment regarding "Technically, Environmentally and Economically Practicable" (TEEP) recycling

2 Recommendations

- 2.1 That the outcomes of the Council's assessment regarding "Technically, Economically and Environmentally Practicable" (TEEP) recycling are noted.
- 2.2 That, in view of the additional cost, the source separation of dry recycling material is not considered to be "economically practicable" and that the Council continue to collect dry recyclables on a co-mingled basis.
- 2.3 That the collection of co-mingled dry recyclables forms part of the specification for the Single Waste Collection Contract.

3 Key Issues and Reasons for Recommendation

- 3.1 Under the amended Waste (England and Wales) Regulations, the Council is required to undertake an assessment to ascertain whether the provision of "source separated" collection services of dry recyclables is "technically, environmentally and economically practicable". This is commonly known as TEEP.

- 3.2 The Council currently collect dry recyclables on a co-mingled basis and if this service is to continue as part of the Single Waste Collection Contract, (from 1 April 2016), it must prove through its TEEP assessment that source separated collection is not practicable in at least one of the aforementioned areas.
- 3.3 This report presents a summary and the outcome of the Council's TEEP assessment, which has been undertaken within a framework provided by the Staffordshire Waste Partnership template.
- 3.4 The assessment concludes that it is technically and environmentally practicable to collect dry recyclables on a source separated basis. However, source separated collections would result in an estimated additional annual nett cost of £562,500 and it is therefore considered that it fails to pass the practicability test on economic grounds.
- 3.5 The Council is not obligated into change its service to provide source separated collections if this is considered to fail any of the three practicability test. It is therefore proposed that the continued collection of co-mingled dry recyclables forms part of the specification for the Single Waste Collection Contract.

4 Relationship to Corporate Priorities

- 4.1 A review of the options for the future delivery of waste collection services was a specific action within the Environmental Portfolio section of the agreed 2014-15 "Place" Priority Delivery Plan.

5 Report Detail

- 5.1 The revised EU Waste Framework Directive which requires the separate collection of waste paper, plastic, metal and glass for recycling, came into force in January 2015. This requirement is transposed in amended Waste regulation for England and Wales but is qualified by "practicability" and "necessity".
- 5.2 Cabinet on 17 April 2014 were advised that the amended regulations required the Council to undertake waste hierarchy evaluations and practicability tests to ascertain whether the provision of "source separated" dry recyclable collection services are "technically, environmentally and economically practicable" and necessary to facilitate or improve recovery quality standards. This is commonly known as TEEP.
- 5.3 The Council currently collects dry recyclables on a co-mingled basis in the "blue bins" and therefore needs to demonstrate that separate collections are not in accordance with TEEP. If the Council cannot prove, with evidence, that source separated collection is not practicable, it is be legally obliged to adopt a source separated collection system.

- 5.4 Cabinet, on 18 December 2014, considered the future delivery of the Council's waste collection services and it was agreed this would be subject to an OJEU compliant procurement exercise to secure a single contract for the delivery of all waste collection services, with effect from 1 April 2016.
- 5.5 The first stage in the procurement process is to prepare a specification for the future delivery of the service. However, in view of the requirements of the revised Waste Framework Directive, this task cannot be completed until the outcome of the Council's TEEP assessment has been determined.
- 5.6 No guidance has been issued by the Department for Environment, Food and Rural Affairs, regarding the revised Directive or the required assessments under TEEP. An assessment template has, however, been developed by the Staffordshire Waste Partnership to provide a framework within which the technical economic and environmental practicability of source separated collection services can be evaluated.
- 5.7 The Council's TEEP assessment has been undertaken within a framework provided by the Staffordshire Waste Partnerships template. The resultant assessment is some 113 pages long and, in view of its length, has not been appended to this report. Copies are however available in the Group Rooms or from Member Services, whilst a summary is outlined below.
- 5.8 In accordance with the Staffordshire Waste Partnerships template, the TEEP assessment has been undertaken via a number of defined stages as set out below:-

Stage One	A review of the type of materials collected and the method of their collection.
Stage Two	An appraisal of the current recycling, reprocessing and treatment arrangements for collected materials.
Stage Three	The application of the "Waste Hierarchy" * to assess options for each stream of collected materials.
Stage Four	The application of the "necessity" and TEEP tests to the collection of paper, glass, plastic and metal.
Stage Five	The proposed future collection approach for all streams of materials.

NOTE *¹ As defined by the Waste Framework Directive whereby prevention is the most desirable outcome and disposal is the

least desirable outcome i.e.

- Prevention
- Reuse
- Recycling
- Other Recovery
- Disposal

5.9 The key stage within the assessment is the application of the “necessity” and TEEP tests (stage 4) to ascertain the technical environmental and economic practicability of collection source separated recycling material. Each of the three assessment criteria has been considered separately and a summary of the results are outlined below.

(i) Technical Practicability

There are a number of technical issues associated with the separate collection of the four types of material i.e.

- Collection vehicles would need to be fitted with separate compartments for the four types of material.
- Collection routes, collection days and collection crew configurations would need to be changed to accommodate the additional time needed for the separate collection of the four types of material.
- A lower overall rate of recycling but reduced level of contamination may result from the increased complexity of source separated recycling when compared to much simpler mixed recycling.
- The requirement for additional containers is likely to be unpopular with households and would be difficult to locate for communal flat blocks.
- Alternative recycling facilities would need to be procured.
- Health and safety issues with regard to increased manual handling.

Nevertheless, it is considered that these issues can be overcome/managed and that it is technically practicable to collect the four types of material separately through the use of separate containers or kerbside sorting. The assessment therefore concludes that separate collections of the four materials is technically practicable.

(ii) Environmental Practicability

In terms of environment practicability, the assessment shows that source separated collections would more than double the amount of carbon savings. It is considered that this benefit “outweighs” the environmental disadvantages

regarding the potential for increased litter and the aesthetics of additional collection containers. The assessment, therefore, concludes that separate collections are more environmentally favourable than the Council's current service, and as a result "passes" the TEEP practicability test on environmental grounds.

(iii) **Economic Practicability**

The assessment compares the cost of providing a fully source separated collection service, with the cost of providing the current "mixed" collection service. Source separated collections would result in an increase in costs in relation to additional disposal containers, marketing in the form of a public awareness campaign, gate fees and kerbside collection costs. However, these costs would be offset by additional income from the sale of the source separated material but that income is subject to the risks associated with volatile market.

It is considered that source separated collections would increase the Council's nett costs by some £562,500 per annum and, in view of the budget constraints faced by the Council, the assessment concludes that separate collections are not economically practicable.

- 5.10 Whilst the assessment shows that separate collections of the four types of recycling material are considered to be technically and environmentally practicable, it is considered that separate collections are not economically practicable:- as a result of the estimated additional annual nett cost of £562,500. As separate collections fail to pass the practicability test on economic grounds, it is considered that the Council is not legally obligated to collect the four materials separately.
- 5.11 It is therefore proposed that the Council continue to collect dry recyclables on a co-mingled basis and that this forms part of the specification for the single waste collection contract.

6 Implications

6.1 Financial

The current cost of the Refuse and Recycling Waste Collection Service, including dry recycling, amounts to £2,040,140. The estimated additional cost of providing a fully source separated collection service is estimated to be £562,500 , a potential increase of 28% on the current service.

Council at its meeting on the 11 February 2015 approved its budget for 2015-16 and indicative budgets for 2016-17 and 2017-18. The report identified a balanced budget in 2015-16 and 2016-17 but with a budget deficit of £411,140 in 2017-18. As a result of the forthcoming General Election great deal of uncertainty exists in relation to the funding regime for Local Government for 2016-17 and the magnitude of reductions over the next three years. A budget

deficit may therefore arise much earlier than anticipated and to a much greater degree.

In view of the additional cost, the source separation of dry recycling material is not considered to be “economically practicable” and that the Council continue to collect dry recyclables on a co-mingled basis.

Subject to there being no changes to the current service there are no direct financial implications arising from this report.

6.2 Legal

The Council is required under Regulation 13 of the Waste (England and Wales) Regulations 2011 to collect glass, metal, paper and plastics for recycling separately unless it can be shown that such collections are not technically, economically or environmentally practicable (TEEP).

6.3 Human Resources

None.

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management

Under the amended Waste Regulations the Council is required to assess whether the provision of “source separated” collection services of dry recyclables is “technically, environmentally and economically practicable”.

The Council currently collects dry recyclables on a co-mingled basis and if it cannot prove, with evidence, that source separated collection is not practicable, it can be legally obliged to adopt this type of collection service.

No guidance has been issued by the Department for Environment, Food and Rural Affairs, regarding the required assessment. The Councils assessment is, however, based on a template developed by the Staffordshire Waste Partnership which provides a “step by step” guide with “tests” to determine the likelihood of meeting the regulation requirements.

The Council’s assessment concludes that the provision of “source separated” collection services are not economically practicable and it is therefore proposed that dry recycling material continues to be collected on a co-mingled basis.

A continuation of the co-mingled collection of dry recyclables could, however, be subject to legal challenge. The Council would then be required to defend any decision to continue to collect co-mingled dry recyclables using the evidence from the assessment to justify the decision.

6.8 Equality & Diversity

None

6.9 Best Value

The Council's "TEEP" assessment concludes that the "source separated" collection of dry recyclables is not "economically practicable"

7 Appendices to the Report

None

Previous Consideration

Waste Collection Contracts	Cabinet	17 April 2014
Waste Collection Service	Cabinet	18 December 2014

Background Papers