

BRIEFING REPORT

Food Waste Collection Project
(Phase I procurement of vehicles and containers only)



I. EXECUTIVE SUMMARY

The purpose of this document is to accompany the business case for the procurement of vehicles and containers for phase I of the Food Waste Collection Project. This is a legislatively driven and mandatory city-wide weekly food waste collection service. The primary legislation is the Environment Act 2021, but the project also interfaces with the Climate Change 2008 Act and the UK's Net Zero targets on reducing greenhouse gases therein. The service must be delivered by 1 April 2026. The total capital cost included in this decision is £2,296,779.94. £1,941,574.00 is funded by the Department for Environment, Food & Rural Affairs (Defra) and £355,205.94 by service borrowing based on forecasted figures.

Defra has provided the Council with an initial £1,941,574.00 of capital funding for the procurement of internal caddies, kerbside caddies, communal wheeled bins and vehicles and any spares. A decision was made to de-risk the project by presenting a business case for vehicles and containers with funding that is available to the Council at this stage whilst we await confirmation of phases 2 and 3 revenue funding from Defra.

The business case considered the idea of combining the garden waste and food waste service and buying vehicles that could be used for both. This option was discarded following legal advice and guidance from food waste consultants for the following reasons.

- a) Research shows yields of food waste collected are lower when collected with garden waste than when collected as a separate collection service.
- b) Garden waste is a revenue stream for the Council, if co-mingled with food waste (a free service) the council would have to stop charging for garden waste.
- c) The gate fees for processing food waste with garden waste are 3 times higher than processing food waste separately.
- d) There would be a significant disruption to existing collection services impacting residents. The disruption is associated with performance and scheduling because garden waste is fortnightly and food waste service is weekly.

The sooner the Council can commence the procurement processes the greater the likelihood of meeting the April 2026 deadline thus reducing the financial impact of any demand led price increases. Demand is high due to a large number of Local Authorities all procuring Food Waste vehicles and caddies concurrently to meet the legislative deadline.

Since the business case was written an executive decision has been made by the Cabinet member (ECC02 24/25) to commence the procurement process. This decision is now seeking to add the funding to the Capital programme and delegate future contract awards

2. BACKGROUND

In October 2023, the government launched 'Simpler recycling', a reformative and legislation driven programme that aims to make recycling easier, consistent throughout the country, to increase stagnant recycling rates and to align with net zero targets. The introduction of a weekly food waste collection service is one of the outcomes of the initiative. The UK currently produces 9.5 million tonnes of food waste annually and 70% of this food waste is deemed avoidable. The estimated costs associated with this food waste is £19 billion and has associated emissions of 36 million tonnes of carbon dioxide equivalent.

Defra has provided £295 million to around 50 per cent of all Waste Collection Authorities (WCA) in England who have not already implemented a food waste collection service.

The project has an intrinsic benefit that supports the Council's Corporate Plan, Plymouth's Net Zero Action Plan and financial savings from the cost of food waste being processed with residual waste. The introduction of a food waste collection service will increase the recycling rate by 3-7% depending on the participation rates and the efficacy of the public engagement and behavioural programme.

3. PROPOSAL

The proposal is to procure vehicles and containers separately in preparation for the remaining funding from Defra.

As part of the procurement the Council must provide 5/7 litre internal caddies to all 123,000 households in Plymouth of which approximately 29,000 are flats or Houses with Multiple Occupants (HMO). Residents are, however, not obligated to present their food waste

Residents will be asked to place the following into their internal food caddies.

- All uneaten food and plate scrapings
- Tea bags – biodegradable and non-biodegradable accepted
- Coffee grounds
- Out of date or mouldy food
- Raw and cooked meat, including bones
- Raw and cooked fish, including skin and bones
- Shellfish and seafood shells
- Dairy products such as cheese
- Eggs and eggshells
- Rice, pasta and beans
- Baked goods such as bread, cakes and pastries
- Fruit and vegetables, including raw and cooked vegetables and peelings and cut flowers
- Pet food waste

The Council must also provide external kerbside caddies where residents will deposit food waste for collection by the Council on a weekly basis. Communal bins will be provided for blocks of flats, estates and clusters of flats.

Food waste will be collected in new bespoke food waste vehicles that align with the Waste and Resources Action Programme (WRAP) technical specifications. The vehicles will have as a minimum, a slave bin mechanism, a leak proof watertight body that can transfer food waste without leakage of slurry onto the ground. The project has also explored the procurement of Electrical Vehicles (EV) and was advised by Fleet Management that EVs would cost around £300,000 per unit for a 12-tonne vehicle and also that the market and technology for food waste EVs was immature and would present significant issues for the ongoing maintenance of vehicles.

4. FINANCIAL IMPLICATIONS

The total capital cost included in this decision is for £2,296,779.94, funded by £1,941,574.00 of a Defra Grant and £355,205.94 of service borrowing.

This vehicles and containers only business case shows a requirement for service borrowing of £353,133.89 in 2025/26, £1,879.33 in 2026/27 and £192.73 in 2027/28 which is assigned to Medium Term Financial Planning (MTFP). Repayments of which will be £85,550.35 in 26/27 are included in the MTFP submission of planned revenue pressures for 26/27 onwards. An initial estimate of £250k for 2025/26 increasing to £500k in 2026/27 was submitted as part of the MTFP to cover all the costs associated with the delivery of the project including elements which are out of scope of this decision such as further capital works, staffing and changes in waste disposal costs. This is still relevant and required for the full business case. A more accurate figure will be shown when Defra provides clarity on phases 2 and 3 funding.

5. RISK

The following key risks have been identified:

- **Missing the deadline:** Because of long procurement timelines (an estimated 9-15 months for vehicles).
- **Escalating Costs/Availability of Assets:** Because around 50% of WCAs are procuring vehicles and containers at the same time from the same suppliers, there is a risk of escalating costs (market saturation and supply and demand issues).
- **Negative media/public attention:** Because of lack of information or misinformation.
- **Low public appetite for participation.** Because of socio-ideological biases, apathy, lack of information or misinformation.