



## **HERTFORDSHIRE WASTE PARTNERSHIP**

### **MEMBERS' GROUP 13th July 2009**

#### **Item 10: Trade waste at Hertfordshire's household waste recycling centres**

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#### **1. Purpose of Report**

- 1.1. To evaluate the feasibility of providing recycling and disposal services for small and medium sized businesses at Hertfordshire's Household Waste Recycling Centres.

#### **2. Background**

- 2.1. Hertfordshire County Council (HCC) currently provides a network of nineteen Household Waste Recycling Centres (HWRCs) across the County as a statutory function in its capacity as a Waste Disposal Authority (WDA). These are provided only for Hertfordshire residents to deliver and dispose of their bulky household items for recycling and disposal. It has never been HCC policy to accept waste from business sources at a Hertfordshire HWRC.
- 2.2. Waste received at Hertfordshire's HWRCs has reduced by 26 percent in the last ten years, as work has been undertaken to control and drive out non-household wastes. However, the number of visits has not declined, as residents are, on average, visiting the HWRCs with smaller quantities, but with a wider variety of waste compared to ten years ago.
- 2.3. In 2008/09, the total amount of municipal waste managed in Hertfordshire was 558,000 tonnes. Of this, 31,000 tonnes (5.5%) was collected from businesses by the Waste Collection Authorities in the form of trade waste. Approximately 677 tonnes (2.2%) of trade waste was recycled.

#### **3. Position of other local authorities**

- 3.1 To inform this report, HCC conducted research on twenty Waste Disposal and Unitary Authorities in the region and surrounding areas and found that just four authorities provided a recycling and / or disposal service for the commercial sector. The main features of these services include : -
  - All commercial waste services provided at HWRCs are managed by the Contractors operating the service on behalf of the Local Authority.

- Typically, a weighbridge is used to determine how much the commercial customer is charged for disposing of their waste.
- Separate containers are placed on site for each recyclable material, in order to prevent commercial waste from entering the household waste stream. Containers are provided for a range of materials from wood and electrical waste to paper and cardboard.
- Wastes accepted are generally similar to those generated by households, excluding certain liquid wastes and hazardous materials.
- Some weight and / or vehicle restrictions are in place for businesses. One authority charges based on the type of vehicle used.
- Customers may set up an account for using a site prior to visiting. Otherwise money can be exchanged in cash or via card whilst on site. Charges can be in excess of £70 per tonne of waste received.
- Monitoring of the schemes can include the presence of up to three members of staff on site to ensure there is no abuse of the system. One authority has recently put a permit scheme in place.
- Predominantly, services are provided at HWRCs, although they can be provided at an authority's waste transfer station, should bulking bays be available for use, and provided that customers have separated their recyclables before arrival.
- A local authority may advise a business customer to visit a HWRC on a weekday, to avoid peak periods and increased congestion at weekends and bank holidays.

3.2 Commercial waste received through these local authority schemes ranges from between 2 and 24 percent of the total waste received at HWRCs. Based on 2008/09 tonnages, this could equate to as much as 21,000 tonnes of commercial waste through Hertfordshire's HWRC network. However, this can be significantly affected by the prevailing economic climate.

#### **4. Commercial waste recycling services available in Hertfordshire**

4.1 There are already commercial waste recycling services available in the County. Currently, five of Hertfordshire's Waste Collection Authorities provide a commercial glass recycling service; three for cardboard; two for paper and one for food waste arising from town markets.

4.2 There are at least five private sector companies in Hertfordshire who are able to either collect or provide a recycling service for a wide variety of commercial waste, including office paper, details of which can be found in the WasteAware website directory, and which are promoted through the WasteAware telephone helpline. The Environment Agency also provides a directory of registered waste carriers able to recycle certain materials from businesses. This database shows that there are at least ten companies operating within Hertfordshire able to recycle metals, such as cans, from businesses. These companies are based within nine District / Borough areas of the County.

## **5. Implications of additional waste entering Hertfordshire's municipal waste stream**

- 5.1. Hertfordshire businesses would be charged for using a HCC facility for disposing of waste. The average disposal cost per tonne of material going through the HWRCs in 2009/10 is around £75.00, which comprises the costs of collecting and hauling the material and the gate fee incurred at the point of delivery to a recycling facility. At the very least, these costs would need to be recovered through the charges imposed for the disposal of commercial waste, in order to prevent the Council taxpayer from subsidising the cost of businesses disposing of their waste. These charges would also need to increase each year, in order to keep up with the escalating landfill tax, which will reach £72 per tonne in 2012, as well as increasing operational costs in providing the HWRCs.
- 5.2. Any attraction of further waste into the municipal waste stream has implications for HCC's compliance with the Landfill Allowance Trading Scheme (LATS). Estimates undertaken as part of the Outline Business Case for PFI credits show that Hertfordshire will have a LATS deficit in the target year of 2012/13 of around 33,000 tonnes. Whilst the interim waste disposal contracts will aim to divert an increasing amount of residual waste from landfill, any further increase in the amount of waste entering the system will affect the amount of LATS allowances HCC must purchase from those authorities with a LATS surplus. The price per tonne of LATS allowances are likely to be competitively high in this target year as WDAs compete to purchase the required amount of allowances to ensure that fines of £150 per tonne are avoided. Any LATS liability resulting from the introduction of a commercial waste acceptance policy would require corresponding increases in the charges made towards businesses for using the HWRCs.
- 5.3. Commercial waste recycling does not count towards National Indicator 192 '*Percentage of household waste re-used, recycled or composted*'. It also does not have an impact on the target set out in Hertfordshire's Joint Municipal Waste Management Strategy of recycling at least 50 percent of household waste by 2012. There could be an impact upon NI 193 '*Percentage of municipal waste landfilled*', although the level of impact would depend upon what proportion of commercial waste can be recycled, and how much will be disposed to landfill. Should the majority of waste be for disposal and not recycling, this will impact negatively on municipal waste recycling performance.

## **6. Benefits to be gained from providing commercial waste recycling services**

- 6.1 HCC would be addressing the Strategy's policy of encouraging the '*re-use and recycling of the non-household element of municipal waste*'. As only 2 percent of the commercial waste managed by the HWP in 2008/09 was recycled, the provision of a commercial waste recycling service at the HWRCs could enhance this performance. Hertfordshire's constituent Waste Collection Authorities can also improve this performance through an increase in the existing level of service provided for recycling commercial waste.
- 6.2 A HWRC trade waste recycling service could benefit businesses who take the time to separate their recyclable waste, and who do not wish to arrange a

contract for waste collections, or those who do not produce consistent quantities of waste on a weekly basis.

## **7. Drawbacks of providing commercial waste recycling services**

- 7.1. The provision of separate containers on site for commercial recyclables would mean that new and larger locations would need to be sought for most HWRCs, as commercial waste recyclables would have to be kept in separate containers to the household waste. As many as 28 materials are separately collected for recycling, re-use or composting from Hertfordshire HWRCs at present. An effective commercial waste recycling service would need to provide at least three additional containers per site, which even the largest HWRCs would find hard to accommodate. The exception is the Waterdale HWRC, although additional space would be required for the installation of a weighbridge.
- 7.2. The following image is of the Stevenage HWRC, the busiest, and one of the largest in Hertfordshire. This site provides the full range of recyclable materials that HCC currently offers.



- 7.3. HCC must respond to legislation and put in place adequate measures for diverting certain waste types from landfill. In the past, this has included tyres and liquid wastes. Most recently, new legislation banning the landfill of gypsum (plasterboard) required HCC to provide facilities for the separate collection of this material. Due to space restrictions, this was only possible to implement at nine of the nineteen HWRCs, for a material equating to just 0.5% of the total waste received.
- 7.4. Attracting more custom to the HWRCs from small businesses could mean that those sites already operating near their capacity would likely experience queues at peak periods as a higher number of containers require servicing. This would reduce the level of customer satisfaction with the HWRC service.
- 7.5. Significant resources need to be invested into the implementation and monitoring of a commercial waste disposal and recycling scheme, from both financial and staffing viewpoints. The current operation and management contracts for the

HWRCs run up until 2013. These contracts explicitly prevent commercial waste from entering the HWRCs, and any amendment to this policy would have financial repercussions.

## **8. Conclusions**

- 8.1. Only a minority of authorities provide recycling and disposal services to businesses at their HWRCs. For Hertfordshire, the addition of up to a quarter of the total waste received at the HWRCs could lead to congestion at peak periods at the busiest sites, and put a strain on the existing effective operation provided to residents. The management of additional waste would have financial implications as well as possibly affecting HCC's compliance with LATS. Together these may impact upon future investment into recycling and waste minimisation initiatives aimed at Hertfordshire's residents.
- 8.2. The costs of introducing a commercial waste recycling service may outweigh the benefits. For example, the set-up costs for a surface-mounted weighbridge can reach £14,700 per site for installation and calibration, on top of annual maintenance costs. In addition, the costs of ensuring only Hertfordshire businesses use such a service would mean that staffing costs will increase as a monitoring system will need to be set up. Investment will also need to be made in security, due to the exchange of money on site.
- 8.3. Businesses currently making use of such a local authority service, where available, have to provide proof that they are registered waste carriers with the Environment Agency, as well as supplying full duty of care documentation. Therefore, instances where the more unscrupulous commercial traders decide to fly-tip their waste would not be affected by the implementation of a service for businesses at the HWRCs, as they would still have to incur a charge for disposing of the waste at a HCC facility as at any other licensed private waste disposal site.
- 8.4. It would prove beneficial to increase the amount of publicity targeting local businesses to reduce the amount of waste presented for disposal in the first place. The HWP can also maximise the use of the existing directory of businesses able to provide recycling services within Hertfordshire.
- 8.5. The Directors' Group considered this matter on 22<sup>nd</sup> June and emphasised the importance of ensuring the costs of trade waste disposal and recycling do not fall upon local authorities.