

Waste Service Budget Considerations

Overview Committee
28 November 2023

2023/24 budget

Budget 2023/24 baseline	Gross Budget £000's	Income £000's	Net Budget £000's
Waste services	4,235	-1,524	2,711

- Equates to around £40 cost per household per year
- Vehicle purchase costs are increasing
- Service running costs are increasing (parts, staffing, etc)
- Number of properties are increasing

Strategic context

- **LWP Joint Municipal Waste Strategy**
 - Consultation 2018, Adopted 2019, Revised 2023
- **Environment Act 2021**
 - pEPR – producers pay the cost of collection and disposal of packaging waste from 2025/26
 - Simpler Recycling – all households and businesses to receive the same range of materials collected by 31 March 2026
 - Food waste – weekly collections to all households from 31 March 2026
 - Deposit Return Scheme – consumers pay deposit on drinks containers to be claimed back when returned from October 2025

Waste Strategy for Lincolnshire

Lincolnshire Waste Partnership

Adopted January 2019



Environment Act 2021

CHAPTER 1

Explanatory Notes have been produced to assist in the understanding of this Act and are available separately.

EN145

Policy framework	Impact on current collection costs?	Funding?
<p>Extended Producer Responsibility (packaging) – producer pays</p>	<p>Unsure – dependent on guidance of what is an ‘efficient and effective’ service</p> <p>Deductions will be made for councils who are not ‘efficient and effective’</p> <p>Improvement plans for councils not meeting standards after Year 1 (2025/26)</p>	<p>Year 1 (2025/26) payments modelled with authorities grouped and benchmarked. Unknown if this will fully fund collection costs – estimated payment determination due by 1 Nov 2024.</p> <p>Year 1, Qs 1,2,3 payments made December 2025, Q4 March 2026</p> <p>Effective & Efficiency assessments will be used to determine payments from Year 2 (2026/27)</p>
<p>Simpler Recycling – glass, metal, plastic, paper and card</p>	<p>Unsure - Twin stream collections have improved quality of recyclate at no additional cost</p>	<p>pEPR for packaging – payments may be reduced down to 80% of what a council is eligible for dependent on E & E assessments</p>
<p>Simpler Recycling – weekly food waste</p>	<p>Yes – initial work suggests 12 additional vehicles required, with associated staff and vehicle running costs</p>	<p>New Burdens – reasonable costs. £295m capital allocated to support purchase of bins and vehicles (via funding formula) from 2023/24</p> <p>Defra estimating funding required for revenue costs. Process for transitional costs (roll out) from 2024/25</p> <p>New Burdens for revenue costs will be available after duty is in place from April 2026</p>
<p>Deposit Return Scheme</p>	<p>Unsure – detail to be confirmed by the Deposit Management Organisation (yet to be appointed)</p>	<p>Expected to reduce the amount of litter on the street and in street litter bins.</p> <p>Reduced amount in grey recycling bins?</p>

Budget setting

Challenges

- ‘Modelling’, ‘estimates’ and unknowns
- Defra are bidding to HMT for funding required for revenue costs of food waste collections at the next Spending Review
- The impact on depot infrastructure
- Demand for vehicles and delivery times

Mitigation

- Regular updates from Defra, attendance at Steering Groups
- Implementation plans being developed
- Lincolnshire Waste Partnership
- Project working group (Finance, Customer contact, communications etc)