

**REPORT TO:** ENVIRONMENTAL AND  
DEVELOPMENT SERVICES

**AGENDA ITEM:**

8

**DATE OF  
MEETING:** 21<sup>st</sup> AUGUST 2003

**CATEGORY:**  
DELEGATED

**REPORT FROM:** DEPUTY CHIEF EXECUTIVE

OPEN

**MEMBERS'  
CONTACT POINT:** GILLIAN COATES (EXTN. 5783)

**DOC:** s:\cent\_serv\committee  
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compost outlets..doc

**SUBJECT:** FUTURE COMPOST OUTLETS

**REF:** GC

**WARD(S)  
AFFECTED:** ALL

**TERMS OF  
REFERENCE:** ES 07

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## 1.0 Recommendations

- 1.1 Members are asked to approve that, in principle, the Council enters into a partnership arrangement with neighbouring Councils to secure future composting outlets.

## 2.0 Details

### Background

- 2.1 Members will be aware that the Compost Scheme is a vital part of the Council's efforts to meet its statutory recycling targets.
- 2.2 The scheme has been implemented in 11,300 households in the district and is due to be expanded to a further 3,500 households in Hartshorne and Woodville next March.
- 2.3 It is expected that the scheme will divert around 2,600 tonnes of waste from landfill to composting in the current financial year thereby contributing around 6.8% to this year's recycling target of 14%.
- 2.4 The plan is to introduce the scheme to a further 14,800 households during the next three years to help meet the Council's statutory recycling target of 21% in 2005/06. It is expected that recycling targets will increase much further in the years ahead.

### Current position regarding processing of the waste

- 2.5 The Council's current two compost outlets are the facilities operated by Biffa at Etwall and by Sita at Lount. The waste is taken to the nearer of the two facilities from the point of collection and the facility operators process the waste into compost using an open windrow system.

- 2.6 The companies charge the Council a fee of around £20 per tonne which is £10 less than the recycling credit paid to the Council by the County Council in recognition of the savings on its waste disposal costs. The surplus is used to pay the leasing costs of the brown bins.
- 2.7 Following the Foot and Mouth outbreak in 2001, a European Regulation (EU Animal By-Products Regulation) has been developing with the aim to minimise the risk of the spread of disease from composting processes.
- 2.8 The understanding emerging during the consultation exchanges is that there will be a requirement, in future, for the composting of waste containing catering waste to be carried out in a covered/closed container system rather than the current open windrow system. Furthermore, operators will be subject to a rigorous licensing and inspection regime.
- 2.9 The issue of catering waste is important in that the Council's Compost Scheme encourages householders to put waste such as peelings, bread, salad etc. as well as garden waste in the brown bin for composting. Householders are asked not to put any meat, fish or cooked food waste in the brown bin.
- 2.10 During the development of the Animal By-Products Regulation, both Biffa and Sita, in common with the rest of the composting industry, have refused to accept waste containing catering waste from new sources but have honoured existing arrangements such as the Council's. Authorities such as Derby City and East Staffordshire, therefore, have had to limit their composting activities to garden waste collections although both would like to include catering waste to help meet their recycling targets.
- 2.11 The indication from Sita has been that the space at Lount will be insufficient to implement a covered/closed container system and, therefore, once the new Regulation is effective, the site will not be able to accept waste containing catering waste for composting. They are actively seeking suitable new sites in the area.
- 2.12 The indication from Biffa is that they will develop suitable facilities at the Etwall site.
- 2.13 Both operators have indicated that there will be a significant increase in processing costs in the region of £10 per tonne.
- 2.14 The regulation became effective on 1<sup>st</sup> July although it is still not clear precisely what it means as far as the Council's Compost Scheme is concerned. It appears that there may be a transitional period of eighteen months to allow operators to gear up for the new requirements. It is hoped to have a better understanding of the position by the date of the Committee Meeting.

### **Future Position**

- 2.15 Discussions concerning the composting position have been taking place over the past few months with neighbouring Refuse Collection Authorities and Derbyshire County Council in its capacity as the Disposal Authority. Consideration has been given to a partnership arrangement in order to secure appropriate and cost-effective composting facilities in the future.
- 2.16 The plan is to seek tenders this Autumn with an anticipated start date of February 2005.

- 2.17 The Authorities currently expressing an interest in such a project are Amber Valley Borough Council, Derby City Council, East Staffordshire Borough Council, Erewash Borough Council and ourselves.
- 2.18 A draft agreement is being produced as a commitment from each Authority to enter into a partnership arrangement to secure the contract (Section 101 Agreement). The agreement will be similar to the one for the Brightstar project whereby all parties commit to work within the contract's requirements and supply guaranteed tonnages of material. It will be up to individual Authorities to decide the amounts of material committed.
- 2.19 It is anticipated that the successful tenderer will provide at least two composting facilities supported by waste transfer stations in order to minimise the travelling costs of the Collection Authorities.
- 2.20 Members are asked to approve the Council's participation in this partnership in order to ensure the successful future of the Compost Scheme once the new Regulation is effective. There can be no guarantee that the Council will be able to meet the requirements successfully on its own.

### **3.0 Financial Implications**

- 3.1 There are no specific financial implications arising out of this report. Once tenders have been received the additional costs of the new composting facilities can be established and another report will be submitted to members prior to any commitment to a partnership arrangement with the other local authorities.
- 3.2 However the inevitable effect of the new Regulation is that compost processing costs are likely to increase by around £10 per tonne. The Council's anticipated tonnage in 2005/06 is 5,600.
- 3.3 The financial implications of the proposed procurement process are an unknown factor but it is anticipated that the partnership approach will provide the most cost-effective solution for the Council.

### **4.0 Conclusions**

- 4.1 The Compost Scheme is a vital part of the Council's efforts to meet its statutory recycling targets. The scheme requires appropriate local outlets to be successful in the future.
- 4.2 The procurement of future facilities through a partnership arrangement is likely to offer the most cost-effective way forward for the Council.

