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**Report of Director of Environment and Neighbourhoods**

**Scrutiny Board (Environment and Neighbourhoods)**

**Date: 26<sup>th</sup> March 2008**

**Subject: The role of the Community and Voluntary Sector in delivering the Integrated Waste Strategy for Leeds**

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**Electoral Wards Affected: All**

**Specific Implications For:**

Ethnic minorities

Women

Disabled people

Narrowing the Gap

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## **1.0 Introduction**

- 1.1 At the beginning of the municipal year, as part of the discussions around its work programme, Members identified 'waste' and 'recycling' as key issues for the Board to consider: These issues continue to be priorities for the Board.
- 1.2 As part of an Integrated Waste Strategy for Leeds, which sets out to reduce the impact of waste on the environment, the Council has set out to reduce waste generation, reuse waste, increase recycling, recover value from non-recycled waste and significantly reduce the amount of waste going to landfill, with an aspiration to send zero waste to landfill.
- 1.3 To successfully deliver the Integrated Waste Strategy for Leeds, it will be necessary for the Council to work with a range of different organisations, including those from the community and voluntary sector, and to continue to adopt a partnership approach in relation to service development and delivery.
- 1.4 In the Integrated Waste Strategy for Leeds the significant contribution to the delivery of waste objectives made by voluntary and community sector (VCS) organisations, including social enterprises, was acknowledged. Experience with VCS in other sectors suggests that the sector has the potential to achieve even more to support this strategy. These organisations bring innovation and increased competition to the waste industry and are credited with originally developing many of the approaches to waste management which are in mainstream use, and also helping to raise public awareness of many waste issues. They continue to develop local solutions for areas where conventional service delivery is difficult, and to broaden the range of separate waste streams which can be collected. Community organisations are especially active re-users of waste goods, with a number of organisations collecting furniture and appliances for refurbishment and reuse. Some VCS organisations support people on low incomes through discounted or free provision of items and include disadvantaged members of the community in their operations providing employment and training opportunities. For these reasons the strategy set out our intention to develop the partnerships currently in place and build capacity in this sector.
- 1.5 At its meeting on the 30<sup>th</sup> January the Board requested that the Waste and Recycling Manager be invited to present a report to a future meeting of the Board and that social enterprise representatives be invited to attend that meeting.

## **2.0 Background**

- 2.1 There are a large number of groups currently operating in Leeds. These are listed below together with a brief outline of the work they undertake.
- 2.2 Leeds Organic Growers (LOGS) aim to provides a sustainable household green garden waste kerbside collection service for Kirkstall and Weetwood. Although collections have not yet begun it is hoped that they will commence shortly. Compost will be sieved, graded and bagged for sale to scheme members and the general public. Once collections commence LOGS will receive a recycling credit (equivalent to the composting gate free plus landfill tax) for each tonne of household garden waste composted.
- 2.3 BTCV provide general environmental awareness and have volunteer groups available for work on practical projects (e.g. compost bin areas etc). They are also working in primary schools across Leeds to raise awareness of 3Rs (reduction, reuse and recycling) and to increase the amount of waste being recycled in Leeds. This work has been ongoing for more than 3 years. It was initially funded by the City Council and CRED but is now wholly funded by the Council through a contractual type arrangement.
- 2.4 Groundwork is involved with various waste education projects in Leeds and across the region, often in partnership with other organisations. They work in partnership with Leeds City Council and BTCV on the primary education project outline above.
- 2.5 Leeds Play Network raises waste awareness through creative play. They take unwanted materials donated from business to reuse as inexpensive creative play resources for children.
- 2.6 Meanwood Urban Valley Farm City Farm provides a range of educational and learning opportunities to the community including information on recycling facilities.
- 2.7 Emmaus Sells quality used furniture, bikes, books, music and bric-a-brac. On site there is also a café, meeting room and IT suite to hire, and car parking. Their primary aim is to help homeless people by providing a home and work in a supportive environment.
- 2.8 Leeds and Moortown Furniture Store Ltd aim is to relieve poverty amongst individuals and families in Leeds by providing them with donated furniture and household goods without charge. Social Services support collection of goods and distribution to clients. Environment & Neighbourhoods Homeless Services also fund provision of furniture for their clients. In addition recycling credits are also received for household waste that is reused.
- 2.9 Poverty Aid UK operates a furniture collection and reuse service.
- 2.10 SLATE is a social enterprise operating in south Leeds, which was set up to run environmentally friendly businesses for the benefit of the local community and offer work opportunities to people with learning difficulties. Through the Feel Good Furniture Shop they collect people's unwanted furniture and sell it at affordable to prices. They receive recycling credits for household waste reused.

- 2.11 St Judes Furniture Store Collects and redistributes donated furniture & white goods for those in need in the community. Provides worthwhile work opportunities for volunteers and those on work training schemes. Like Leeds and Moortown they receive funding from Social Services and Environment and Neighbourhoods Homeless Services as well as recycling credits.
- 2.12 Seagulls Re-use Ltd Community RePaint service for Leeds; unwanted paint is collected from household waste sorting sites and businesses for checking, mixing and reuse by local community groups. Leeds City Council has developed a contractual type arrangement with this group and makes a payment for each collection made from a household waste sort site to reflect the avoided hazardous waste disposal for this type of material.
- 2.13 Scrap Creative Re-use is a mobile community scrap service promoting reuse through creative arts. Workshops and accredited training are delivered around the environment and arts.(e.g. recycled fashion, recycled jewellery, kite making, trashy textiles, scrap sculpture).
- 2.14 Bradford Environmental Action Trust runs Why Waste, a web based business waste exchange, that operates across West Yorkshire.
- 2.15 Leeds City Council's recycling and waste service works directly with a high proportion of these groups to increase recycling and reuse in Leeds. There are currently six groups which are part of our recycling credits scheme. In addition to waste diversion from landfill they provide valuable community and social benefits to the residents of Leeds. Some of those groups benefit from a contractual type arrangement whereby they provide a service to the Council in return for an appropriate payment where the recycling credit scheme is not suitable. Several groups also receive other Council funding to support their activities.
- 2.16 The support provided is not solely limited to payment of a credit advice and guidance is provided on new legislation. An example is the recent Waste Electrical Electronic Equipment Regulations (WEEE) which came into force in July 2007. The Recycling and Waste Service worked to ensure groups would still be capable of working alongside the Council's compliance scheme contractor to maximise white goods reuse.
- 2.17 Regular meeting with the groups both individually and through the Community Recycling Network Forum take place to discuss new ideas and look for new ways of working with the groups across the Council. This could be identification of new waste streams they may be able to divert for reuse or maximising their recycling of scrap materials from their activities.
- 2.18 The furniture reuse groups are allowed access to our eleven household waste sorting sites to collect reusable items of both furniture and white goods.
- 2.19 All the groups are offered free disposal facilities at our two transfer stations where they can discard/recycle items which are not suitable for re-use.
- 2.20 The Council is also working to encourage new VCS groups to develop recycling and reuse schemes. With this in mind a "Leeds Community Recycling Handbook" has been published. It has been developed for organisations or individuals developing projects in their local communities, which reduce the amount of rubbish being thrown

away. The handbook provides information on waste, guidance on starting a scheme and details of where to find help and support. The guide was commissioned by Leeds City Council and compiled by the Community Waste Network, Yorkshire and Humber.

### 3.0 **Recycling Credits Scheme**

- 3.1 The recycling credits scheme was introduced by the Environmental Protection Act 1990. It was designed to provide an incentive to encourage recycling by VCS Groups. The scheme's purpose was to make available to recyclers the savings in disposal and collection costs which result when they reuse or recycle household waste. The scheme had to operate in conjunction with a number of other economic and regulatory measures designed to promote more sustainable waste management.
- 3.2 Historically a number of VCS groups operated in Leeds and were paid a recycling credit based on a nominal amount of £ 3.00 per tonne. Many of these arrangements were historical i.e. pre 1998 and had not been formalised. Some groups also received a skip service for waste disposal funded by the Council. There was no consistency in the range of assistance and support being offered to the groups.
- 3.3 In the face of evidence that the design of the national scheme could inhibit effective and sustainable waste management, the Government reviewed and consulted on changes to the scheme in 2004. Amendments to the scheme were included in the Clean Neighbourhoods and Environment Act 2005. Detailed guidance on the changes was issued in April 2006. In essence it gave Leeds City Council the power to pay credits to third parties. However it did not place a duty on the authority.
- 3.4 The guidance gives Local Authorities more flexible powers to work with third parties and encourage improvement of the social and environmental well being of their area. They state that credits should be paid on household waste which is recycled or reused. Goods donated to charity shops are not classified as waste at the point of donation therefore Charity shops are not eligible to receive credits on goods donated to their shops. Calculation of the amount of credit which should be based on the tonnage of materials recycled and on agreed average weights for furniture, appliances and other items. A list of these average weights is produced by the Furniture Reuse Network.
- 3.5 In order better recognise the contribution made by VCS groups, to implement the new guidance and to provide a consistent approach for all groups wishing to claim a recycling credit, Leeds City Council has developed the approach outlined below. This has been done in consultation with VCS groups in Leeds and the Community Recycling Network.
- 3.6 Applicants for credits must demonstrate that they fulfilled certain pre-determined criteria. These criteria are designed to safeguard the groups and ensure our support is targeted to the right areas. Schemes must be -
- In compliance with Leeds' Integrated Waste Strategy
  - Agreed with LCC
  - Divert waste from landfill for recycling or reuse that would otherwise find its way into municipal waste stream
  - Measurable in terms of their contribution to increasing reuse, recycling or diversion from landfill
  - Delivering measurable social and economic benefits in accordance with the Councils best value obligations (i.e. Where arrangements for service

already exist either in house or through a conventional contract a group would have to be able to demonstrate that they offer better value for money).

- Operated by a not for profit trading organisation
- Provide training and employment opportunities to local disadvantaged groups
- willing to enter in a contract or agreement with the Council.
- Proactive in communicating the benefits of their activities & the benefits of recycling and reuse in general.
- Consistent and not in conflict with Leeds City Council policy.
- Aim to alleviate poverty by providing low cost, basic household items to people on low incomes.
- Established to benefit the Leeds community.

3.7 In certain circumstances it may be more appropriate that a contract is put in place rather than payment of a recycling credit. Either because of the nature of the waste or the service being provided. The scheme allows for this flexibility.

3.8 In accordance with the regulations groups will then receive a credit per tonne recycled or reused, equivalent to the average cost per tonne of waste disposal including landfill tax (from 1<sup>st</sup> April £47.86 per tonne). It should represent a net saving of expenditure to the Council on the disposal of the waste.

3.9 Additionally groups are also entitled to free disposal of any waste at the Council's transfer station. Alternatively they can opt in to the Council's waste collection contract and be reimbursed for the disposal element of the charge.

3.10 Groups have to demonstrate through an auditable procedure that items had been collected from Leeds post codes and passed back into the Leeds Community for re-use. This is to ensure we meet our responsibilities in relation to best value and prevent error or fraud.

#### **4.0 Social Clauses**

4.1 Social clauses are requirements within contracts or the procurement process which allow the contract to provide added social value through fulfilling a particular social aim. For example, a social clause in a public contract could prioritise the need to train or give jobs to the long-term unemployed in the community as part of the contracting workforce.

4.2 Leeds City Council Recycling and Waste Services are currently working together with the North East Centre of Excellence (NECE) to maximise social benefit through procurement.

4.3 NECE are working on behalf of the Government's Office of the Third Sector to deliver a commitment made in the Social Enterprise and Public Service Delivery Action Plans to progress work around the use of social clauses. The field work for this project is focused around 5 local authorities, Leeds being one, who have agreed to act as trial sites for the work.

4.4 The opportunity to work with NECE came along at an opportune time for the Recycling and Waste Service who are working towards the inclusion of a purpose built re-use shop as part of the re-development of the East Leeds household waste site. The plan

is to develop a shop along similar lines to current best practice, already in place in other authorities such as Warwick. The shop would sell reclaimed items from the adjacent household waste sorting site and potentially be run by a social enterprise. Thus providing both diversion from landfill and community benefits in the locality.

4.5 The project with NECE runs over a period of 10 weeks and is due to end in early April by which time we hope to have successfully developed a strategy to produce a contract including social benefit clauses which will be in harmony with the Councils own Delivering Successful Change Programme methodology.

4.6 The project is providing officers with the opportunity to network with colleagues in North Yorkshire who are also considering a re-use shop. In addition free legal advice is being provided by Anthony Collins Solicitors and social clauses specialist Mark Cook who co wrote the groundbreaking Joseph Rowntree Foundation report 'Achieving Community Benefits through Contracts.'

## **5.0 The Future**

5.1 The Waste Strategy Group meets on a quarterly basis to

- support the delivery of the performance targets set out in the Waste Strategy.
- promote partnership working and innovation in the delivery of the Waste Strategy.
- Monitor, review and challenge progress on the implementation of the Waste Strategy and associated action plan.
- Formulate responses to policy, legislative and technological developments in the waste sector.

5.2 This group is chaired by the Executive Member of Environment and its members include representatives from external bodies. Amongst them is a representative from the Community Recycling Network to ensure that the potential of the VCS to contribute to the strategy is identified and facilitated appropriately.

## **6.0 Conclusions**

6.1 There is significant VCS contribution being made to reuse and recycling in Leeds. They continue to develop local solutions for areas where conventional service delivery is difficult, and to broaden the range of separate waste streams which can be collected

6.2 Providing an equitable and transparent recycling credits scheme to financially support schemes contributing to the diversion of household waste is beneficial and will help to encourage other initiatives to develop.

6.3 Continued dialogue and joint working with the Community Recycling Network and existing VCS groups in Leeds will allow us to exploit further opportunities to work with the third sector in this area.