

# **SCRUTINY BOARD (ENVIRONMENT HOUSING AND COMMUNITIES, STRATEGY AND RESOURCES)**

## **EXPANSION OF RECYCLING IN LEEDS AND CHANGING WASTE PROFILE**

### **TERMS OF REFERENCE**

#### **1.0 Introduction**

- 1.1 In considering the future work programmes of their respective Boards both the Environment, Housing and Communities and Strategy and Resources Boards expressed a desire to look in more detail at recycling in Leeds in 2021/22.
- 1.2 Waste services fall within the remit of Environment, Housing and Communities Scrutiny Board and this is a significant ongoing priority for Board members, as is the way in which the waste service can contribute to the Council's response to the declared Climate Emergency. However, it is the view of both Chairs that in looking at the future of Waste Services, there is the potential to provide added organisational value through some elements of joint working.
- 1.3 It is therefore proposed that the Environment, Housing and Communities Board will lead a joint inquiry with responsibility for initiating and commissioning the various elements of the inquiry, as well as finalising and presenting the joint recommendations that emerge from the deliberations of both Boards.
- 1.4 The involvement of the Strategy & Resources Scrutiny Board would be via representation at the Environment Housing and Communities Board meeting in September and delegation of a specific element of the inquiry, namely finance, to Strategy and Resources Scrutiny Board for further examination.
- 1.5 The financial elements of the inquiry will be examined by the Strategy and Resources Scrutiny Board with the involvement of at least two representatives from the Environment, Housing and Communities Board. The conclusions of the Strategy and Resources Scrutiny Board would then be reported back to the Environment, Housing and Communities Scrutiny Board for inclusion in the final inquiry report.
- 1.6 Both Chairs have expressed their support for this approach, subject to the endorsement of their respective Board members.
- 1.7 The Environment, Housing and Communities Scrutiny Board will focus on the strategic future direction of the waste service taking into account the anticipated detail emerging from the Government's Waste Strategy and the Council's wider response to the Climate Emergency. The Board will focus on ways in which to develop the long-term sustainable

future of the service to increase resilience and improve performance in line with the aspirations of Best Council and Best City Plans, and will also examine ways in which to work with local members to improve community recycling rates.

- 1.8 The proposed areas of delegated work - expressly related to finance - include the budget implications of expanding recycling, the contractual issues that underpin recycling in Leeds and how expanded recycling services fit with the strategic Best Council Plan priority to promote a more competitive, less wasteful, more resource efficient, low carbon economy.
- 1.9 From a budgetary perspective the Strategy and Resources Scrutiny Board will look at current budget allocations to recycling of waste, the costs of expanding the recycling offer and carry out an analysis of where additional budget might be allocated from in order to provide enhanced recycling services to residents. Part of this work will involve analysis of existing waste contracts, comparison with other local authorities in West Yorkshire and a focus on Government policy and funding in this area linked to ongoing delays in consultation on the Resources and Waste Strategy published in 2018 and the launch of a Government consultation on Consistency in Household and Business Recycling in May 2021.
- 1.10 The launch of the Government consultation also included additional details around what local authorities will be expected to collect in terms of recyclable materials from households and businesses and details on how expanded collection might be funded. Furthermore, the Government has restated its commitment to recycling at least 65% of municipal waste by 2035, with a maximum of 10% being landfilled. Given that the involvement of the Strategy and Resources Scrutiny Board will be focussed on overall financial strategy in this regard the consultation provides useful context and possible direction for the Board to use when carrying out its work.

## **2.0 Scope of the inquiry**

### **Environment Housing and Communities Scrutiny Board**

- 2.1 Environment Housing and Communities will focus its work on performance and policy with a commitment to carry out a forward-looking review of how recycling services could be enhanced and how the service as a whole could become more sustainable and resilient, for the ultimate benefit of Leeds residents. This will focus on:
  - **Volumes of waste and what the city does with it** – As a starting point the board will analyse what the city currently throws away in terms of volume, type and where it goes once collected and the services that are used to dispose of waste. Key questions would be: are these free, are they subsidised and how is it disposed of once

collected? A breakdown of this information will be essential to the work of both Boards and to some degree could assist in developing an approach similar to 'zero based budgeting' through which a clear understanding of the city's waste and the costs associated can be established.

- **Waste Strategy** – how is Leeds interpreting the information that has been published to date and what might that mean for the service? What will the Council be compelled to do, stop doing or change, and where might the potential be for delivering enhanced collections as a result?
- **Climate Emergency** – Understanding the extent to which changes in the service can potentially contribute to the Council's ambition associated with tackling the declared climate emergency in the city.
- **Local recycling** – members have expressed a desire to understand whether there is more that can be done at a local level – and in conjunction with local ward members - to boost recycling rates, particularly in communities which have traditionally had lower than average rates.
- **The city's waste profile** – A potentially lasting change brought about by the Covid-19 pandemic is that significant volumes of workers who used to work in Leeds City Centre will now spend more time working at home. In order to look at how the service might change it will be important to understand the impact this has had on the city's waste profile and how the behaviour of residents has changed as a result.
- **Current performance** – The Board will also be looking at the ways in which performance can continue to be improved as the service adapts to future environmental and financial challenges. Member may explore the continued work around the city's route review and the way in which changes may enable a wider range of waste services to operate.
- **Policy** – Ultimately the Board will assess and review existing policies and where appropriate make recommendations to decision makers in order to introduce new policy particularly around recycling but also service wide to look to enhance the service offered to residents of Leeds.

#### Strategy and Resources Scrutiny Board

- 2.2 The purpose of the Board's involvement is to gain an understanding and make recommendations, where appropriate, on the options open to the Council in terms of expanding its recycling offer with a focus on costs and contracts related to delivery of new services for Leeds residents. This will focus on:

- **Cost and viability of alternative waste streams** – A key initial question will focus on whether the Council can recycle more waste and introduce recycling of food, glass and a wider range of plastics as part of its kerbside collection service and to determine the cost and viability issues associated with any planned expansion. The Council is committed to the delivery invest to save measures and the Board will look at potential opportunities to develop policies that align with that agenda as a means to secure additional funding.
- **Contractual issues/recycling markets** – A major factor in availability of kerbside collection is the resale value of the recycled material. Understanding any limitations linked to the resale value of recycled material and any wider limitations in terms of appropriate facilities or availability of a structure to take the recycled waste in Leeds and any associated costs of delivering them. It will also be important to understand the current contract status in terms of where recycled waste goes once collected in Leeds and whether there is room for this to include more materials and at what potential cost.
- **RERF** – The RERF facility has a 10% recycling target as part of the existing contract with the Council, this target has historically been missed with financial compensation paid as per the contractual terms. This is an area of interest both in terms of how that compensation is used by the Council and what measures might be introduced to ensure that the 10% target is met, and more items are recycled in the future.
- **Government Waste Strategy** – The Resources and Waste Strategy was published in 2018 but due to delays caused by Brexit and then Covid-19 consultation on this has yet to fully complete with the remainder of it expected to take place in 2021. As a consequence of these delays the Council is also in a holding pattern in terms of developing and evolving the service to recycle more materials which is a clear aim of the Government strategy and the Climate Emergency related aims of the Council. A key issue is funding for new services, as this agenda develops in 2021 more clarity may also emerge on funding and timescales which would be helpful to the Council but could also offer scrutiny an opportunity to be involved in the process pre-decision in terms of developing and delivering additional recycling services in Leeds. The recently announced Government consultation, noted above, offers some initial information on this in terms of materials to be recycled by local authorities and possible additional funding though it is recognised that a significant limitation is that currently funding levels are not confirmed.

### **3.0 Desired Outcomes and Measures of Success**

- 3.1 It is important to consider how the Scrutiny Boards will deem if their inquiry has been successful in making a difference to local people.

Some measures of success may be obvious and others may become apparent as the inquiry progresses and discussions take place.

- 3.2 However, the primary aim of this Inquiry is to assist, from a budgetary and strategic viewpoint, in enhancing the recycling services offered to Leeds residents particularly at a time when there is major policy focus on this agenda through the declaration of a Climate Emergency in Leeds in March 2019.

#### **4.0 Comments of the relevant Director and Executive Member**

- 4.1 In line with Scrutiny Board Procedure Rule 32, where a Scrutiny Board undertakes an Inquiry the Scrutiny Board shall consult with any relevant Director and Executive Member on the terms of reference. A meeting took place on 29 June to consult with both the Executive Board Member for Housing and Environment and Director of Communities and Environment. This meeting confirmed that this will be a work item in 2021/22 and also confirmed the renewed focus on enhanced services and a forward looking strategic overview of how the service is structured and how changes might be made to improve recycling services and wider waste services to Leeds residents.

#### **5.0 Timetable for the inquiry**

- 5.1 The Inquiry will commence through an initial item at the Environment, Housing and Communities Board on 23 September 2021. Representatives from the Strategy and Resources Scrutiny Board will be invited to attend the meeting on 23 September and through this mechanism work will be assigned to Strategy and Resources Scrutiny Board in relation to recycling finance. The work will then feature at both boards in October. Further work will take place at Environment, Housing and Communities Scrutiny Board throughout the municipal year.

#### **6.0 Submission of evidence**

- 6.1 **September 2021 – Environment, Housing and Communities Scrutiny Board**

To consider evidence in relation to the following:

- Breakdown of the city's waste in terms of volume, type and how it is disposed of and comparison with other local authorities.
- Consider the impact of the pandemic on the city's waste profile and how behaviour has changed in relation to waste disposal and types of waste disposed of.
- High level performance monitoring: where are the challenges in performance and what steps need to be taken to address those.

- Ways in which locally targets work, in conjunction with ward members, could improve recycling rates particularly in communities with traditionally low rates.
- Consideration of feedback, if any, there has been from residents in terms of a desire for enhanced recycling

## 6.2 **October 2021 - Strategy and Resources Scrutiny Board**

- Costs associated with offering additional recycling services in Leeds: food, glass and a wider variety of plastics
- The potential implications of enhanced services on the overall financial position of the authority and the existing budget commitment to waste services
- Government policy and the likelihood, or otherwise, of additional funding from Government to deliver enhanced recycling services
- Recycling markets and how they impact the viability of collection of recyclable materials
- Comparison of recycling services and associated costs with other local authorities in West Yorkshire
- The current contractual position in terms of the RERF and other waste contracts held by the Council
- How expanded recycling services could fit with the Best Council Plan priority to promote a more competitive, less wasteful, more resource efficient, low carbon economy in Leeds.

## 6.3 **October 2021 – Both Scrutiny Boards**

- Consideration of findings from the initial work

## 7.0 **Witnesses**

7.1 The following have been identified as possible contributors to the inquiry, however others may be identified during the course of the inquiry:

- Executive Member for Environment and Housing
- Director of Communities, Housing and Environment
- Chief Officer Environmental Services
- Representation from the Council's Finance Department
- Representation from the recycling sector

## 8.0 **Equality and Diversity / Cohesion and Integration**

8.1 The Equality Improvement Priorities have been developed to ensure the Council's legal duties are met under the Equality Act 2010. The priorities will help the council to achieve its ambition to be the best City

in the UK and ensure that as a city work takes place to reduce disadvantage, discrimination and inequalities of opportunity.

- 8.2 Equality and diversity will be a consideration throughout the Scrutiny Inquiry and due regard will be given to equality through the use of evidence, written and verbal, outcomes from consultation and engagement activities.
- 8.3 The Scrutiny Board may engage and involve interested parties and individuals (both internal and external to the council) to inform recommendations.
- 8.4 Where an impact has been identified this will be reflected in the final inquiry report, post inquiry. Where a Scrutiny Board recommendation is agreed the individual, organisation or group responsible for implementation or delivery should give due regard to equality and diversity, conducting impact assessments where it is deemed appropriate.

#### **9.0 Post inquiry report monitoring arrangements**

- 9.1 Following the completion of the Scrutiny inquiry and the publication of the final inquiry report and recommendations, the implementation of the agreed recommendations will be monitored.
- 9.2 The final inquiry report will include information on the detailed arrangements for how the implementation of recommendations will be monitored.