



Democratic Services

Location: Phase II
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To: COUNCILLOR MARTIN GODDARD
CABINET MEMBER FOR FINANCE

COUNCILLOR EDDIE LAVERY
CABINET MEMBER FOR RESIDENTS' SERVICES

COUNCILLOR JONATHAN BIANCO
CABINET MEMBER FOR PROPERTY, HIGHWAYS
AND TRANSPORT

c.c. All Members of the Residents' Services Select
Committee

c.c. Anna Humphries – Place Directorate

c.c. Perry Scott – Corporate Director of Place

Date: 20 March 2023

Non-Key Decision request

Form D

CAPITAL RELEASE REPORT (February 2023)

DEPARTMENT: Waste/ Place

SERVICE AREA/ PROGRAMME: Housing Revenue Account Works to
Stock Programme 2022/ 2023: Warm Safe Dry Workstream -
Provision for 300 Food Waste Housing Units for residents living in
Council-owned communal flats to enable recycling of food waste.
RELEASE NO: 36

Dear Cabinet Member

Attached is a report requesting that a decision be made by you as an individual Cabinet Member. Democratic Services confirm that this is not a key decision, as such, the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 notice period does not apply.

You should take a decision **on or after Tuesday 28 March 2023** in order to meet Constitutional requirements about publication of decisions that are to be made. You may wish to discuss the report with the Corporate Director before it is made. Please indicate your decision on the duplicate memo supplied, and return it to me when you have made your decision. I will then arrange for the formal notice of decision to be published.

Ryan Dell
Democratic Services Officer

Title of Report: Housing Revenue Account Works to Stock Programme 2022/ 2023: Warm Safe Dry Workstream – Provision for 300 Food Waste Housing Units for residents living in Council-owned communal flats to enable recycling of food waste. RELEASE NO: 36

Decision made:

Reasons for your decision: (e.g. as stated in report)

Alternatives considered and rejected: (e.g. as stated in report)

Signed Date.....

*Cabinet Member for Finance / Cabinet Member for Residents' Services / Cabinet Member
for Property, Highways and Transport*

CAPITAL RELEASE REPORT (February 2023)

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SERVICE AREA/ PROGRAMME: Housing Revenue Account Works to Stock Programme 2022/ 2023: Warm Safe Dry Workstream – Provision for 300 Food Waste Housing Units for residents living in Council-owned communal flats to enable recycling of food waste.

RELEASE NO: 36

Cabinet Members	Councillor Martin Goddard Councillor Eddie Lavery Councillor Jonathan Bianco
Cabinet Portfolios	Cabinet Member for Finance Cabinet Member for Residents' Services Cabinet Member for Property, Highways and Transport
Officer Contact	Anna Humphries – Place Directorate
Papers with report	Appendix A with capital release requests for approval

HEADLINES

Summary	To seek Cabinet Member approval for the release of capital funds. On 28 December 2022 Cabinet Members accepted the tender from Glasdon UK Limited to be the supplier of food waste housing units for communal food waste recycling.
Putting our Residents First Delivering on the Council Strategy 2022-2026	This report supports our ambition for residents/ the Council of: Live in a sustainable borough that is carbon neutral This report supports our commitments to residents of: A Green and Sustainable Borough
Financial Cost	This report seeks the release of £167k from the Housing Revenue Account Works to Stock Programme 2022/ 2023: Warm Safe Dry Workstream for the provision of 300 Food Waste Housing Units for residents living in Council-owned communal flats to enable the recycling of food waste. The works will commence upon release of the funds and are due for completion by 03/2024.
Relevant Select Committee	Residents' Services Select Committee.
Relevant Wards	All.

RECOMMENDATIONS

That the Cabinet Member for Finance, the Cabinet Member for Residents' Services and the Cabinet Member for Property, Highways and Transport agree to the following capital release requests of £167k from the Warm Safe Dry workstream within the Housing Revenue Account Works to Stock Programme 2022/23 capital budget for the provision of 300 Food Waste Housing Units for residents living in Council-owned communal flats to enable the recycling of food waste. (Appendix A).

Reasons for recommendation

Hillingdon's most recently published recycling rate was 37.4% for the 2019/20 financial year. In order to meet the London-wide target of recycling 50% of household waste by 2025, the Council must make its recycling services even more accessible to all residents. The recycling team has been enhancing facilities at Hillingdon's High Rise and Low to Medium Rise Block properties by introducing new recycling bins and signs and improving the location of the bins to make it easier for residents of these flats to recycle their waste more effectively. The introduction of food waste facilities to flats will not only complement existing recycling services but should also provide the opportunity for cost savings via diversion of food waste (which when segregated attracts a significantly lower gate fee) from the residual stream.

More detail regarding the potential cost impact of the recommendation is provided within the Financial Implications section of this report.

The Council has also committed to the Climate Action Plan to protect and enhance the environment, and to provide a brighter prospect for future generations. Recycling food waste will contribute to reducing carbon emissions, linking in with objective C5, Waste Management, of the plan.

Alternative options considered

An alternative option is not to recycle food waste in flats and for residents to continue to place food in their residual waste. This option is not desired as (i) residual waste disposal costs are much higher than those for segregated food waste and (ii) is not consistent with the London Environment Strategy target that separate food waste collections should be provided to all properties, including purpose-built flats, by 2024. There is a risk that this option would have legal implications given that The Environment Act 2021 includes a requirement for every household to receive a separate food waste collection service.

A waste composition analysis conducted in November 2022 indicated that food waste accounted for c.38% of the communal residual material collected from flats. As disposal costs for residual waste are significantly higher than those for recycling food waste this situation is detrimental to the Council's waste budgets.

Democratic compliance/ previous authority

On 28 December 2022 Cabinet Members accepted the tender from Glasdon UK Limited to be the supplier of food waste housing units for communal food waste recycling for the London Borough of Hillingdon for a 2-year period at a value of £334,674.

Cabinet Members also agreed that this included the provision to extend the contract for a further 2-year period with any extension to be authorised by the Leader of the Council and Cabinet Member for Resident's Services, in consultation with the Corporate Director of Place.

Select Committee comments

None at this stage.

SUPPORTING INFORMATION

The London Environment Strategy, the Environment Bill and the Waste and Resources Strategy for England have all set challenging targets in terms of minimising waste and increasing recycling. The London Borough of Hillingdon has also recently declared a Climate Emergency, pledging to reduce its environmental impact ahead of national milestones.

Forthcoming legislative changes under the Environmental Bill require that all properties must have access to recycling services within the next couple of years, including separate food waste recycling. The proposed installation of food waste units for flats is consistent with the London Environmental Strategy objective of maximising recycling rates, providing suitable facilities to these properties and enabling more residents to recycle simply and effectively. The segregated food waste service is predominantly a waste reduction measure, with cost benefits also derived from diversion away from residual material.

Investment in food waste recycling presents an opportunity for disposal savings through better waste segregation. Successful installation of the units, effective communications and engagement and constant monitoring, should help maximise savings. The current unit costs for disposal of residual and segregated food waste are shown below:

Category	Disposal cost per tonne	Saving per tonne when recycled
Residual Waste	£124.23	n/a
Food Waste	£9.98	£114.25

Based on the results from the recent trials within six sites, it is estimated that on an annualised basis, diversion of food waste from the residual stream across 600 sites could generate a disposal cost saving of c.£107k. Though food waste tonnage from flats fluctuates from week to week and seasonally, a minimum average has been calculated at 30kgs per unit per week.

Implementation Plan

The aim is to roll out 25 units per month over the next two years, once approved and supplier units have been manufactured.

Approval for the first year's capital release is within this paper for 300 units; another approval for the second year's supply of 300 units will be prepared in a capital release ready for March 2024.

Financial Implications

Budget £923k, Previously Released/ Pending Release £756k, Capital Release Requested £167k - Appendix A

The 2022/23 HRA (Housing Revenue Account) Capital Programme, approved by Cabinet and Council in February 2022, includes a capital budget for the Works to Stock programme of £20,023k. In July 2022, Cabinet approved the rephasing of £7,575k from the 2021/22 HRA Capital Programme, of which, £7,058k has been rephased into the 2022/23 Programme and £517k rephased into 2023/24 Programme. In December 2022, Cabinet approved the rephasing of £11,050k from the 2022/23 Works to Stock Capital Programme into the 2023/24 Works to Stock Capital Programme. This gives a revised capital budget for the Works to Stock 2022/23 Capital Programme of £16,031k. Within this, the Warm Safe Dry workstream budget is £923k.

Previously, a total of £929k has been released or is pending release from the Warm Safe Dry workstream for:

- the upgrade of obsolete door entry systems.
- The upgrade of Warden Call Systems.
- The upgrade of CCTV installations at various housing locations.
- The planned remedial works at Barden Court Sheltered Housing Scheme; and,
- The installation of improved recycling facilities infrastructure for 14 Low to Medium Rise Block General Housing Needs Sites.
- External damp and internal mould remedial works required at 44 Longmead Road, Hayes.

Of the £929k previously released, £173k relates to projects that have been approved to be rephased into the 2023/24 Works to Stock Capital Programme, which gives a revised released figure of £756k.

This report is seeking the release of £167k for the provision of 300 food waste housing units for residents living in Council-owned communal flats to enable the recycling of food waste. The release request is based upon the rates contained within the approved contract for the provision of communal food waste recycling for the London Borough of Hillingdon Housing properties.

The award of contract to Glasdon UK Limited for the supply of food waste housing units for communal food waste recycling for the London Borough of Hillingdon for a 2-year period at a value of £334,674 was approved by Cabinet Members on 28 December 2022 with the contract coming into effect from 01 January 2023. This is the first release request in relation to the contract, with the second release expected to be requested the following year in line with the 2-year planned programme.

The unit cost of disposing of segregated food waste (via the West London Waste Authority's Pay-As-You-Throw mechanism) is significantly lower than that for residual waste. As addressed above, food waste tonnages from flats will be tracked closely during the implementation period and the resulting disposal cost reductions reviewed and reflected as part of monthly budget monitoring activity. The service estimates, based on food waste trial activity to date, that annualised savings once all 600 units have been installed, could be c.£107k. In the short term, cost reductions are expected to part fund two (recently approved) new recycling officer posts, with any additional savings generated contributing towards the service's MTF targets in 2023/24 and beyond.

RESIDENT BENEFIT & CONSULTATION

The provision of the food waste housing units has no direct impact on the day-to-day service delivery of the weekly collection of household waste and recycling by the Council's in-house refuse collection teams.

In line with the Council's vision of 'Putting Our Residents First', the food waste housing units will allow residents to benefit from being able to segregate and recycle food from flats. Diverting this waste enables the Council to turn food waste into green energy, reducing harm to the environment.

Consultation carried out or required

None required.

CORPORATE CONSIDERATIONS

Corporate Finance

Corporate finance has reviewed the report and concurs with the financial implications set out above, noting that the recommended action to agree a release of £167k for the provision of 300 food waste housing units for residents living in Council-owned communal flats to enable the recycling of food waste will be funded from the approved 2022/23 Housing Revenue Works to Stock capital budget.

Investment in the food waste housing units presents an opportunity for disposal cost reductions within revenue budgets via improved waste segregation and diversion of material from residual waste; this will be tracked closely during the implementation period and the resulting disposal cost reductions reviewed and reflected as part of monthly budget monitoring. In the short term, cost reductions are expected to part fund two (recently approved) new recycling officer posts, with any additional savings generated contributing towards the service's MTFF targets in 2023/24 and beyond.

Legal

Legal Services confirms that the Council is responsible for carrying out this function pursuant to Section 12 of the Housing Act 1985. Thus, there are no legal impediments to the capital release being authorised, noting that the relevant contract that was entered into complied with the Council's Procurement and Contract Standing Orders.

Capital Release Protocol

The release of all capital funds, and certain revenue funds, held by the Council is to be made by a formal democratic decision. No expenditure can be placed or committed by officers until this formal approval is given by Democratic Services. Release of funds must be for identified projects only and strictly not for the general release of funds for projects to be identified at a later date. No block releases of capital or funding will be allowed, except if authorised by the Leader of the Council in advance to Corporate Finance. The release of funds will only be made if previous Council, Cabinet or Cabinet Member agreement has been given to the project and only if there is an approved budget.

BACKGROUND PAPERS

NIL.

APPENDIX A

Housing Revenue Accounts Works to Stock 2022/23 Programme - Warm Safe Dry: For the provision of 300 food waste housing units for residents living in Council-owned communal flats to enable the recycling of food waste. Release No 36

Location	Project/ Expenditure Title	Information	Funds Release Sought £000's	Appro ve	Hold	More Information Required
Borough wide	The Contract for Food Waste Housing Units for residents living in communal flats to recycle Food Waste.	300 X Glasdon Food Waste Units for communal food waste recycling for the London Borough of Hillingdon owned communal flats.	167			
Total seeking release			167			
Previously released			756			
Budget			923			
Remaining budget			0			