



<b>Policy, Finance and Development Committee</b>	<b>Tuesday, 03 December 2024</b>	<b>Matter for Information</b>
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**Report Title:** **Food Waste – Capital Allocation**

**Report Author(s):** **Ben Wilson (Corporate Project, System & IT Manager)**

<b>Purpose of Report:</b>	To ensure the Council has adequate capital resources in place to meet its new legal obligations to implement a food waste collection scheme.
<b>Report Summary:</b>	To provide information on capital expenditure relating to the implementation of the food waste scheme that is being rolled out nationally by all Local Authorities with the deadline of 1 <sup>st</sup> April 2026 for collections to have commenced by.
<b>Recommendation(s):</b>	<b>That the content of the report be noted.</b>
<b>Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):</b>	<p>Teresa Neal (Strategic Director) (0116) 257 2642 <a href="mailto:teresa.neal@oadby-wigston.gov.uk">teresa.neal@oadby-wigston.gov.uk</a></p> <p>David Gill (Head of Law &amp; Democracy / Monitoring Officer) (0116) 257 2626 <a href="mailto:david.gill@oadby-wigston.gov.uk">david.gill@oadby-wigston.gov.uk</a></p> <p>Ben Wilson (Corporate Project, System &amp; IT Manager) (0116) 257 2711 <a href="mailto:ben.wilson@oadby-wigston.gov.uk">ben.wilson@oadby-wigston.gov.uk</a></p>
<b>Strategic Objectives:</b>	<p>Our Council (SO1)</p> <p>Our Economy (SO3)</p> <p>Our Environment (SO4)</p>
<b>Vision and Values:</b>	<p>"Our Borough - The Place To Be" (Vision)</p> <p>Customer &amp; Community Focused (V1)</p> <p>Proud of Everything We Do (V2)</p> <p>Resourceful &amp; Resilient (V4)</p>
<b>Report Implications:-</b>	
Legal:	There are no implications directly arising from this report.
Financial:	The expenditure will be fully funded by the Capital Receipt.
Corporate Risk Management:	<p>Decreasing Financial Resources / Increasing Financial Pressures (CR1)</p> <p>Key Supplier / Partnership Failure (CR2)</p> <p>Reputation Damage (CR4)</p> <p>Regulatory Governance (CR6)</p> <p>Organisational / Transformational Change (CR8)</p>
Equalities and Equalities Assessment (EA):	There are no implications arising from this report. EA not applicable.
Human Rights:	There are no implications arising from this report.

Health and Safety:	There are no implications arising from this report.
<b>Statutory Officers' Comments:-</b>	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
<b>Consultees:</b>	None.
<b>Background Papers:</b>	None.
<b>Appendices:</b>	None.

## 1. Introduction

- 1.1 As part of the national waste reforms all local authorities in England are legally required to provide a separate weekly food waste collection service to all its residents by 1 April 2026.
- 1.2 This new food waste collection service will be rolled out to all residents, regardless of their property type.
- 1.3 Defra have already provided a capital allocation to the Council of £579,690 for the provision of food waste collection vehicles and food waste receptacles for residents' food waste.

## 2. Vehicles

- 2.1 Soft market testing of suitable vehicles has taken place and provisional prices obtained for 4 vehicles in the 7,500kgs category which operate on Hydrotreated vegetable oil (HVO) fuel or diesel. Each vehicle has an approximate price of £105,000 depending on the level of ancillary equipment included and procurement framework fees.
- 2.2 Due to the food waste implementation being a national initiative it is expected that demand for food waste vehicles will increase significantly thereby requiring orders to be placed in this financial year in order to stand the best chance of obtaining the vehicles in time for the planned implementation date. Lead times quoted by providers are reaching 12 months due to this increase in demand from all Local Authorities.
- 2.3 Failure to place orders in a timely manner risks significant price increases especially with the increases in lead times which could result in not having vehicles arrive in time for the scheme implementation period of Q4 2025/26.
- 2.4 As part of the soft market testing prices and information were also sought for electric vehicle equivalents. The capital costs of the electric equivalent is approximately £300,000 each and three times the capital costs of the HVO/diesel equivalent. Defra have confirmed they will not be providing capital costs for electric vehicles.

## 3. Food Waste Containers

- 3.1 With regards to food waste receptacles a full procurement has taken place jointly with other Leicestershire district council partners in order to provide where possible uniformity in type size and colour of container for operational efficiency - this amounts to £136,125 of capital.

- 3.2 Much like the vehicles, the delivery of the receptacles to the Council is expected to have long lead times. This is currently approximated at 9 months due to the increase in demand as all local authorities are purchasing these types of receptacles as a similar time.
- 3.3 Failure to place orders in a timely manner risks significant price increases and increases in lead times which could result in not having receptacles arrive in time for the scheme implementation period of Q4 2025/26.

**4. Expected Capital Expenditure**

Item	Cost Each	Total Cost	Grand total
7.5 Tonne vehicle (x 4)	£105,000	£420,000	
Waste receptacles (internal and external)	£4.94 for both	£136,125	
			£556,125

**5. Ordering Equipment**

- 5.1 To provide the greatest degree of certainty that the required assets/equipment will arrive with the Council from the supplier in a reasonable time, and before implementation deadline, orders of the vehicles and receptacles are to be placed before 31 December 2024.
- 5.2 There will also be minor capital expenditure relating to the rollout of the scheme that will use the surplus monies provided from Defra.
- 5.3 All equipment, once purchased and delivered, will be stored and maintained at the Councils Depot and maintained as part of the expected warranty requirements. All purchases include a suitable warranty period.

**6. Service Provision**

The new food waste collection service has an implementation deadline of 1 April 2026, and the purchasing of the capital equipment is a key milestone in successfully rolling out the new scheme before this deadline set by the national waste reforms.