

REPORT TO: Executive Board

DATE: 11th September 2025

REPORTING OFFICER: Executive Director Environment and Regeneration

PORTFOLIO: Environment and Urban Renewal

SUBJECT: Waste Management Update

WARD(S) Borough wide

1.0 PURPOSE OF THE REPORT

- 1.1 To provide Members with an update on a number of matters in relation to the Council's waste management services, including options to help meet legislative requirements, proposed contractual arrangements for the processing of collected recyclable materials, proposed recycling collection methodologies and potential financial implications where known at this stage.

2.0 RECOMMENDED: That;

- 1) Members endorse that the Council provides to the Merseyside Recycling and Waste Authority, an outline commitment for Halton to be included in their procurement of new Waste Management and Recycling Contract arrangements that are to be introduced from 2029.**
- 2) Members approve that, following the introduction of food waste collections in 2026, Halton's collected food waste is managed by the Merseyside Recycling and Waste Authority under the terms of the Waste Management and Recycling Contract.**
- 3) Members approve that the Council collects 'Additional Materials' for recycling as part of household kerbside collections from 2026, at temporary additional cost, until the new Merseyside Recycling the Waste Authority Waste Management and Recycling contract is in place.**
- 4) Members endorse that the Council retains a co-mingled recycling collection system from 2026 onwards (subject to a TEEP Assessment being carried out).**
- 5) Members approve that the Council introduces the additional resources required to deliver a comprehensive, local waste communications and education campaign, and also approves the required expenditure to do so, and;**

- 6) Delegated authority be given to the Executive Director Environment and Regeneration, in consultation with the Executive Board Member for Environment and Urban Renewal, to take any decisions as may be necessary as part of Halton's inclusion in the Merseyside Recycling and Waste Authorities re-procurement exercise of the Waste Management and Recycling Contract.**

3.0 SUPPORTING INFORMATION

- 3.1 The Council currently faces the biggest changes to its waste management services in a generation. The Council has been working in partnership with LCR Waste Authorities at both a strategic and operational level, and good progress has been made in working towards delivering change, but the scale and the pace of change required is unprecedented.
- 3.2 There are a wide range of drivers to change how household waste is collected, including new legislative requirements that will have both cost and service redesign implications for the Council. Working with LCR partner authorities, and through the joint commissioning of reports from specialist consultants, work has been continuing to assess the Council's options and consider the cost/benefits of those options.
- 3.3 'Simpler Recycling' is one of the key legislative instruments to make recycling clearer and more consistent for residents. 'Simpler Recycling' requires the Council to collect a wider range of materials than it currently collects in the blue recycling bin and also the method of collections of the additional materials. There is also a requirement to implement a weekly collection of food waste to every household in the borough by 1st April 2026.
- 3.4 A Members' seminar was held on 10th April 2025 setting out the Council's legal obligations in respect of waste, work to date and future options.
- 3.5 This report provides details of the requirements and other implications for the Council arising from current Legislation and makes a number of recommended approaches that Members are being asked to consider and endorse to allow further work on the Council's preferred options to be progressed. A further report will be presented to Executive Board in the autumn containing a number of recommendations for consideration and approval to help inform the development of the Council's Waste Strategy, Policies and Service Plans.
- 3.6 Additional Materials
'Additional Materials' are the range of new items that the Council, and many other local authorities, do not currently collect at kerbside, however, have a statutory responsibility to do so from 1st April 2026. These materials are:
- Aerosols

- Tetra Paks/cartons
 - Foil
 - Pots, Tubs & Trays (PTTs)
 - Films & Flexibles (from 2027)
- 3.7 The Merseyside Recycling and Waste Authority (MRWA) Materials Recovery Facilities (MRFs), where the collected contents of the Council's blue bins are sent, are not configured to separate and process the additional items that will need to be collected.
- 3.8 The MRFs are operated by Veolia via the current Waste Management and Recycling Contract (WMRC) which runs until 2029. It is expected that new contractual arrangements will be in place from 2029, however, this will be at least 3 years after the legal requirement to collect additional materials in 2026. MRWA have developed options with Veolia to provide this transition, but this will come at an additional cost to the Council due to new manual material separation methods that will need to be introduced.
- 3.9 The introduction of additional materials in co-mingled recycling from April 2026 (highly likely to be the additional materials into existing blue bins in Halton) will generate a significant additional charge forecast to be in the region of £4.5m - £6.1m for three years (2026-2029) for the Liverpool City Region waste partnership; Halton's share of this burden is 8% hence, a minimum cost of £360k, meaning an additional £120k per annum or worst case scenario £488k, £162.2k per annum. Members are advised that there is the potential for some waste disposal cost reduction from increased recycling that may help off-set some of the additional costs incurred in processing the increased range of recyclable materials.
- 3.10 From 2029, the MWRA new contract for waste disposal will be implemented hence, the three year arrangement above is to support the additional requirements in the mid-term whilst the long term approach is developed and financial imperatives understood.
- 3.11 Recycling Collection Methodology
The Council currently operates a 'co-mingled' collection system; with residents able to place paper, cardboard, glass bottles and jars, plastic bottles and metal cans into one bin.
- 3.12 One of the considerations for the Council is how to collect the additional materials required by legislation (as referred to in para 3.6). The Council has two options:
- Move to dual-stream collections (i.e. a bin for dry mixed recycling and a bin for paper & cardboard) or;
 - Maintain co-mingled collections.
- 3.13 National policy steers towards 'dual stream' collections. Considerations in adopting a 'dual stream' approach include:

- The introduction of an extra wheeled bin for paper & cardboard naturally takes up more of a household's external space and could be challenging for many properties in the borough.
 - The capital expenditure required to meet the costs of introducing a new suite of recycling bins and additional collection vehicles, and;
 - Additional costs associated with introducing new additional operational collection rounds.
- 3.14 Co-mingled collections can continue to be carried out where Councils can evidence, through a written assessment, that a dual-stream approach is not Technically, Economically, Environmentally Practicable (commonly known as a 'TEEP' assessment). There are risks associated with retaining co-mingled collections, however these are considered to be low.
- 3.15 Balancing the risks associated with retaining a co-mingled approach, against considerations for a dual-stream system, the recommended approach is to carry out a legally required 'TEEP' assessment and retain a co-mingled (one recycling bin) collection system from 2026 onwards.
- 3.16 Food Waste
From April 2026, the Council will be legally required to provide a separate food waste collection service to all households in the borough.
- 3.17 In January 2024, DEFRA allocated capital money to Council's to fund the vehicle and caddy purchasing requirements for food waste collections – Halton's allocation was £1.019m. In order to maximise buying power, the LCR Partners committed co-ordinate best procurement opportunities; orders were recently placed for Halton's vehicles and caddies.
- 3.18 In March 2024, DEFRA also announced that transitional resource grant funding would be provided to support the delivery of weekly food waste collections. Halton's 2024/25 allocation of revenue funding was £237k. DEFRA further added that ongoing resource/revenue costs will be provided to all waste collection authorities from 1st April 2026. The allocations to Halton are not known at this stage.
- 3.19 The MRWA are working with Veolia (the WMRC contractor) to ensure that appropriate facilities and offtake arrangements for separately collected food waste are in place by the mandated date. Food waste collected by Halton is not an Exclusive Contract Waste under the terms of the WMRC and is not therefore required to be delivered into a facility operated under this contract. However, food waste may be sent to facilities via arrangements secured by Veolia should Halton Council request.
- 3.20 Following discussion with MRWA, and the having assessed the Council's options, it is recommended that Halton's food waste is managed by

- 3.21 Veolia under the terms of the WMRC and that MRWA be notified accordingly.
- 3.22 Options for the processing of food waste beyond 2029, when the WMRC ends, are currently being considered.
- 3.23 Education and Behaviour Change
Whatever policies or services the Council puts in place, the Council will only be successful in reducing waste, increasing recycling and reducing costs if it has the co-operation of the residents of Halton.
- 3.24 The introduction of new services will require significant investment and without an effective programme in place to change resident behaviour, there is a strong risk that these services will not be fully utilised and the investment is ultimately wasted. Communications and education with residents will therefore be key to bringing about the required behaviour change.
- 3.25 In order to deliver the comprehensive communications, education and public engagement activity needed to deliver success in meeting our objectives and targets, investment in additional resources will be required and it is proposed that a new team be established to deliver such activity. A communications plan would be developed with the Council's Communications and Marketing team and would draw upon, and be consistent with, key regional and national waste related messages. The new team, and any additional associated resource required to deliver the communications campaign, would be funded from the EPR monies allocated to the Council by DEFRA (as referred to in para 3.37).
- 3.26 Residual Waste Capacity
Analysis of the composition of waste currently placed into black residual waste bins shows that more than 50% is made up of recyclable materials and food waste. The Council's new services will provide residents with opportunities for increased recycling of their waste and additional bin capacity for the recycling of their food waste.
- 3.27 Over time, and in anticipation of successful public behaviour change and resultant good participation with the Council's food waste and enhanced recycling collection services, the amount of waste placed into the residual waste (black bin) should significantly reduce and therefore, the capacity of residual waste collection provided to householders should be a matter for future consideration in 2026 and will be the subject of a report to Executive Board.
- 3.28 MRWA Re-Procurement of the WMRC
In March 2007, the Council's Executive Board approved a Contract Procurement Strategy and formal partnership arrangement with the MRWA. This arrangement provided for Halton to be included in two principal waste contracts to be procured by the MRWA. As part of the

arrangement, which secured Halton's inclusion in the MRWA's Contract Procurement Strategy, and in recognition of the work to be carried out by MRWA on behalf of Halton in administering the 2 principal contracts, Halton agreed to make an annual contribution towards the MRWA's annual operating costs. It was agreed that Halton's contribution (Management Fee) would be 8%, which is based upon Halton's waste tonnage as a proportion of the total amount of waste (for Merseyside and Halton) that would be managed by the MRWA. The current annual management fee paid to the MRWA by Halton is circa £200k.

- 3.29 One of the principal contracts referred to above is the Waste Management and Recycling Contract (WMRC). For Halton, the WMRC provides for:
- The operation of Halton's 2 Household Waste Recycling centres
 - The operation of Materials Recovery Facilities
 - The processing of kerbside collected garden waste
- 3.30 The contract also provides for the Management of Waste Transfer Stations.
- 3.31 The WMRC runs until 2029 and, in January 2024, the MRWA commenced a re-procurement exercise to introduce new arrangements to be put in place when the current WMRC ceases. The re-procurement will seek to ensure that the MRWA and its partners have a fit for (future) purpose contract that:
- Contributes towards increased recycling rates.
 - Meets and expands social value.
 - Meets and contributes to lower carbon targets and other environmental considerations.
 - Provides for new facilities that may be required.
 - Establishes a good interface with the resource recovery contract.
 - Meets legislative and regulatory changes for waste and resources.
 - Introduces new services in reuse.
 - Facilitates partnership working to educate the population in recycling, reuse and waste reduction.
- 3.32 Members are advised that one of the primary factors in Halton agreeing to be included in the MRWA contract procurement strategy in 2007, was the economies of scale that Halton could benefit from by being part of a significantly larger scale contract than procuring a Halton specific contract.
- 3.33 The Council is being asked by MRWA to indicate if it wishes for Halton to be included in their re-procurement exercise. Given that the arrangement with MRWA for the operation and administration of the WMRC, and the opportunity to continue to benefit from future economies

of scale, it is recommended that Halton gives, at this stage, an outline commitment for its inclusion in the re-procurement exercise. The re-procurement exercise could also provide opportunities to explore enhancements to the Council's Household Waste Recycling Centres.

- 3.34 Halton's Portfolio Holder and Officers regularly attend meetings and presentations, which include the re-procurement programme, and are therefore fully briefed on all relevant matters. The Portfolio Holder and Officers will have the opportunity to influence any proposed contract specifications to ensure that, in so far as they relate to Halton, they meet the Council's requirements and expectations.
- 3.35 The MRWA's re-procurement of the WMRC requires a decision from LCR authorities on which recycling collection methodology approach they intend to adopt. (see para 3.11)
- 3.36 Members will receive a further report on the re-procurement of the WMRC in May. Ahead of that report, it is recommended that the delegated authority be given to the Executive Director – Environment and Regeneration, in consultation with the Executive Board Member for Environment and Urban Renewal, to make any decisions as may be necessary as part of Halton's inclusion in the MRWA's re-procurement exercise.
- 3.37 Extended Producer Responsibility
Extended Producer Responsibility (EPR) is a government imposed scheme of levy to the packaging industry to encourage recyclable material use. The lower the recyclable material the higher the levy they will pay. In turn, the levy paid will be redistributed to local authorities to cover net costs of collecting, managing, recycling and disposing of household packaging waste.
- 3.38 The process for receiving EPR payments started in 2024 when DEFRA sent local authority Chief Executives an email that included an assessment notice. Halton's notice was received on 3rd December 2024 and detailed an EPR assessment of £3.134 million.
- 3.39 Halton received a further notice in July 2025 that detailed a revised EPR assessment of £3.011m; a reduction of £123k. However, government have committed to fulfilling the original amounts, hence Halton's payment to be received in year is £3.134m.
- 3.40 The government approaches and current arrangements put in place a range of measures to drive improved performance and ensure the efficiency and effectiveness of the services provided. Government has an ambition for local authorities to achieve a 65% recycling rate. Halton's current rate is 39.6% and the national average is 44.4%.
- 3.41 Local authorities whose services are deemed "not effective or efficient" will be issued with an improvement plan and, if improvements are not

implemented, the EPR scheme administrator (PackUK) can withhold up to 20% of the available funds.

3.42 Emissions Trading Scheme

In essence, the Emissions Trading Scheme (ETS) is a levy that is linked to energy from waste emissions from the incineration of waste. The scheme is widely embedded across a number of sectors and industries. It is a mechanism for managing the financial cost of reducing carbon emissions between different sectors of the economy which is being extended from January 2028 to include the waste sector.

3.43 The ETS is a new burden for councils who will face significant additional cost from 2028.

3.44 If we do nothing, modelled costs show an estimated additional cost to Halton of £1.5m per year. The cost is directly linked to the level of waste sent for incineration hence, the more that can be achieved from enhancing Halton's recycling mechanisms; simpler recycling, household waste centres etc, will result in an increased positive impact and reduced cost burden the Council.

3.45 Redesigning the Council's waste collection service and resident engagement to achieve behaviour change and increase recycling are imperative to reduce the funding burden from 2028 and best position the Council for EPR payments, as this is linked to positive performance.

4.0 POLICY IMPLICATIONS

4.1 There are no new policy implications arising from this report; however, policy implications will arise from the subject matters contained within this report that will be presented into Members future reports.

5.0 FINANCIAL IMPLICATIONS

5.1 Whilst there are clear future resource and financial implications arising from the Council needing to put in place new collection services and waste treatment/processing arrangements in order to meet its obligations under the Environment Act 2021, the detail of those financial and resource implications are not known at this stage. These will be included in future reports to Members.

5.2 The financial matters known at this stage are included in the report.

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 Improving Health, Promoting Wellbeing and Supporting Greater Independence

Waste has a direct effect on public health; effective and efficient household waste collection mitigates potential health implications related to accumulated waste.

6.2 Building a Strong, Sustainable Local Economy

The waste sector and local arrangements to deal with waste provides significant employment opportunities and contributes more than £3.4m to Halton's economy and a further £2.8m to the regional economy annually on waste.

6.3 Supporting Children, Young People and Families

The Council's services are universal. There are opportunities through the behaviour change work to engage children and young people to be champions of waste and recycling approaches at home.

6.4 Tackling Inequality and Helping Those Who Are Most In Need

The household services are a universal offer however, there are adjustments for those that need additional support such as the assisted collection whereby waste staff will collect and return the bins to properties.

In delivering behaviour change there will be targeted additional efforts were required.

6.5 Working Towards a Greener Future

Once introduced, the new services and initiatives referred to in this report will have a positive impact on the Council's actions towards delivering climate change improvements.

6.6 Valuing and Appreciating Halton and Our Community

The volume of change and investment to household waste arrangements demonstrates investment to Halton's residents. Most residents and households will be keen to contribute what they can to the environmental agenda and providing appropriate tools and household collections will enable this.

7.0 RISK ANALYSIS

7.1 Whilst there are risks associated with the Council failing to meet its statutory waste obligations, there are no specific risks associated with this report.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 None to report.

9.0 CLIMATE CHANGE IMPLICATIONS

9.1 Once introduced, the new services and initiatives referred to in this report will have a positive impact on the Council's actions to contribute towards the climate change improvements and will support the Council's response to the climate emergency.

**10. LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF
THE LOCAL GOVERNMENT ACT 1972**

Document	Place of Inspection	Contact Officer
Executive Board Report - Waste Management Update - 16 th January 2025	Council Website	Jimmy Unsworth