



Title: **Needs & Redistribution Technical Working Group**

Paper: NR TWG 16/30 Waste and recycling cost drivers by the Department of Environment, Food and Rural Affairs

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Venue: **Southwark Council - 160 Tooley Street, SE1 2QH**

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#### **NOT A STATEMENT OF GOVERNMENT POLICY**

The following discussion points were derived by policy officials and analysts from the Department for Food, Environment and Rural Affairs. These are suggestions for exploration by the Fair Funding Review for a new needs assessment formula for waste and recycling.

- The majority of waste collected by Local Authorities is from households.
- Rurality is an important driver of costs for local authority collections of waste. The household density **and** distances to other households is really key.
- Deprivation is another key driver. Defra's modelling uses % population as social grade D&E as this approach is common across all DAs
- Authorities servicing high rise blocks of flats will face higher costs - but there is a data gap on how we could measure costs and get accurate information on high rise (rather than low rise) blocks.
- As well as households, authorities are required to offer municipal waste collection at a reasonable price. There is some waste from offices, hospitals etc. that is collected but there is varying capability to recover costs.
- Often, the decisions by authorities on the collections they offer are politically driven – so it's possible that in some instances the services and cost pressures they face might be driven by the political milieu rather than actually higher needs.
- It's worth noting that waste collection and disposal services can happen at different geographies with some areas choosing to join up to save money.
- Waste disposal services also extend to provision of civic amenity sites, where there is legislation around who is required to provide civic amenity sites (i.e. what used to be called local recycling centres) and how much cost can be recovered.

In summary, key drivers of costs include rurality, deprivation and increasing population/ household trends. There are added layers of complexity but also areas where authorities are able to recover some costs, which it might be worth discussing in your consultation.

One final point is around litter and tackling flytipping (which are part of the wider waste picture). Authorities have legal obligations around litter and flytipping and face pressures on providing this service. The drivers are similar – we know that areas of higher deprivation have worse litter problems, with those authorities facing higher costs of clean up.