

Report of the Portfolio Holder for Environment and Climate Change

Food Waste Implementation

1. Purpose of Report

To update Members on progress to date with food-waste implementation, outline the requirement for additional budget to purchase food-waste collection vehicles, and provide an update on potential delays to the delivery of the new fleet.

2. Recommendation

Cabinet is asked to note the progress made on food waste collection implementation and to RESOLVE that an additional capital budget of £241,000 for the increased cost of purchasing food waste vehicles be approved. The budget uplift will be added to the Capital Programme in 2026/27 and funded by an additional New Burdens funding allocation and/or prudential borrowing with delegation given to the Interim Deputy Chief Executive and Section 151 Officer to determine the most appropriate and cost-effective way of financing the scheme.

3. Detail

The Environment Act 2021 introduced a package of statutory measures designed to improve resource efficiency and increase recycling performance nationally. A key outcome of the Act is the implementation of Simpler Recycling, which requires all local authorities in England to provide weekly, separate food waste collections to households.

To support local authorities in delivering these changes, the Government committed to providing New Burdens funding to cover the capital and transitional costs associated with service transformation. Broxtowe Borough Council is currently subject to a transitional implementation deadline of 1 October 2027, by which time weekly food waste collections must be fully operational.

The Council received just over £1 million in total New Burdens capital funding for food waste implementation. Within this, just over £700,000 was specifically allocated for the purchase of food waste collection vehicles. However, it was identified early on that this allocation would be insufficient to meet the full capital requirement. This was due to:

- Inflationary pressures in the vehicle manufacturing sector.
- High national demand for specialist waste collection vehicles.
- Growth within the Borough, increasing the number of properties to be serviced.

A challenge to the Department for Environment, Food and Rural Affairs (Defra) regarding the adequacy of the New Burdens allocation was submitted; however, this was rejected, leaving the Council with a capital budget funding gap.

Fleet Requirements and Procurement Position

Operational modelling undertaken through the recent review of the Council's Recycling and Waste services confirmed that six frontline food waste vehicles are required to deliver an efficient weekly service across the Borough. In addition, two further vehicles are required as operational spares to ensure service resilience during breakdowns, maintenance, MOT, and peak-demand periods. A total fleet of eight vehicles is therefore required.

The New Burdens funding allocation for caddies and containers was also insufficient, so amendments were made to the Council's 2026/27 Capital Programme to address the shortfall in these items. At the time, it was anticipated that this adjustment would ensure adequate funding for both containers and vehicles. However, due to further significant increases in vehicle prices since the Capital Programme was set, the amount allocated for vehicles in 2026/27 is no longer sufficient. As a result, there remains a £241,000 funding gap to enable the purchase of the two remaining vehicles for the fleet.

There is sufficient funding within the Capital Programme to cover the cost of caddies and containers following the amendments made, but the gap relating to the vehicle fleet must be addressed to enable the Council to meet its statutory implementation deadline.

To progress delivery, officers have placed vehicle orders as follows:

- Three vehicles were ordered in November 2025 with the supplier indicating that these should arrive shortly before the service commencement deadline.
- A further three vehicles were ordered recently, following completion of the operational round review. However, the supplier has confirmed delivery will not occur until January 2028, which is after the mandated launch date of 1 October 2027.

The full eight-vehicle order could not be placed earlier because the Council was still completing its service and route redesign work, without which the required fleet size could not be accurately determined. This work is now complete, confirming the operational need.

Exploration of Alternative Options

Considering the funding gap and confirmed delivery delays, officers have explored alternative approaches to ensure statutory compliance, including:

- Short-term rental of food waste vehicles. While feasible, this would introduce unbudgeted revenue expenditure. Officers consider it inappropriate for the Council to incur rental costs when the statutory New

Burdens funding provided is insufficient to meet national policy requirements.

- Exploration of alternative vehicle makes and models that may be available sooner or at lower cost. However, the specialist nature of food waste collection vehicles limits opportunities for meaningful savings or faster availability without compromising service delivery.

End-Destination of collected Food Waste

All food waste collected by the Council will be sent for treatment via anaerobic digestion (AD). Anaerobic digestion is a natural biological process in which organic materials, such as household food waste, are broken down by microorganisms in a sealed, oxygen-free environment. Although the final disposal point is still to be confirmed, it is likely that it may be treated at Colwick in Nottingham.

This treatment route delivers a range of environmental benefits. As the material breaks down, it produces biogas, a renewable energy source that can be used to generate electricity and heat. The process also produces a nutrient-rich digestate suitable for agricultural use.

Impact on the Council's Recycling Performance

The introduction of weekly food waste collections is expected to result in a significant uplift in the Council's overall recycling rate. Modelling undertaken by WRAP projected that the Borough's recycling rate will increase from the current level of approximately 35% to just over 45% once the new service (and Simpler Recycling) is fully implemented.

This forecast improvement reflects the significant proportion of food waste currently present in the residual waste stream. Officers will continue to work proactively to maximise performance, with a particular focus on removing as much food waste as possible from the black-bin stream. The food waste trial taking place in September 2026 will also provide valuable data on resident participation and capture rates, helping to shape targeted engagement activity and supporting the Borough-wide rollout in 2027/28.

Engagement with Defra

Officers have written again to Defra to:

- Formally notify them of the supplier's inability to deliver the final three vehicles before the statutory implementation deadline, and the resulting risk to service commencement.
- Request that Defra reconsider the New Burdens funding allocation, given that vehicle costs have increased significantly and the current allocation is

no longer sufficient to meet the statutory requirements imposed by central government.

Revenue

The Council has not yet received confirmation of the revenue New Burdens funding package required to fund the future employee resourcing model for ongoing food waste collections. Although the Council has received just over £300,000 in revenue funding, this only covers implementation activity such as communications, project management and caddy delivery, and does not fund the future employee model. It is hoped that further information will be provided soon, as a separate report will need to be presented to Cabinet setting out the ongoing employee and operational revenue implications. Given the significant shortfall experienced in the capital funding allocation, there is concern that this may be replicated within the revenue funding, thereby creating an additional financial pressure for the Council.

4. Key Decision

This report a key decision as defined under Regulation 8 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012 as it would be significant in terms of its effects on communities living or working in an area comprising two or more Wards or electoral divisions in the Council's area.

5. Updates from Scrutiny

Not applicable.

6. Financial Implications

The comments from the Interim Deputy Chief Executive and Section 151 Officer were as follows:

Whilst the Council remains committed to meeting its statutory obligations under the Environment Act; the amount of New Burdens funding being provided falls significantly short of the actual cost of implementing weekly food waste collections. A sharp increase in the price of vehicle has created an unavoidable capital budget and funding gap despite careful financial planning. In order to ensure service resilience and statutory compliance, it is necessary to provide an additional budget for the vehicle fleet.

There is no budgetary provision within the approved Capital Programme for the additional cost of food waste vehicles at up to £241,000. Any shortfall in New Burdens funding would have to be met from the Council's own capital resources i.e. prudential borrowing. If approved, the Interim Deputy Chief Executive and Section 151 Officer would determine the most appropriate and cost-effective way of financing the scheme. The revenue impact of prudential borrowing on the General Fund would be up to £46,000 per annum for seven years, with the annual cost of Minimum Revenue Provision (MRP) and borrowing interest costs.

7. Legal Implications

The comments from the Head of Legal Services were as follows:

The Council has a statutory duty under the Environment Act 2021 to implement weekly separate food waste collections by 1 October 2027. Despite taking all reasonable steps, the Council is currently unable to meet this deadline due to vehicle delivery delays outside its control, arising from national supply chain constraints. This creates a compliance risk; however, the Council continues to engage with Defra and suppliers and is pursuing all appropriate mitigation measures to demonstrate best endeavours in meeting its obligations.

8. Human Resources Implications

Not applicable.

9. Union Comments

Not applicable.

10. Climate Change Implications

The introduction of weekly food waste collections will strengthen the Council's climate commitments by diverting food waste away from Energy-from-Waste facilities and into more sustainable treatment processes such as anaerobic digestion, which delivers higher carbon-reduction benefits. Ensuring the timely procurement of the vehicle fleet is essential to achieving these environmental

gains. While delays may slow the realisation of these benefits, the service remains a key component of the Council's wider carbon neutral ambition.

11. Data Protection Compliance Implications

This report does not contain any OFFICIAL(SENSITIVE) information and there are no Data Protection issues in relation to this report.

12. Equality Impact Assessment

Not applicable.

13. Background Papers

Nil.