



Scrutiny 29.01.2026
Cabinet 11.03.2026

Item

Public



Introduction of Weekly Food Waste Collections

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1 Synopsis

1.1 The Environment Act came into force in April 2021 and sets out a framework for long term environmental goals and established new legal duties and powers for the government to take action to address various environmental challenges and is a significant step in the UK achieving a more sustainable and greener future.

1.2 Improved consistency in recycling collections relates to the standardisation of recycling collections to ensure that there is consistency in the types of materials accepted for recycling, the collection methods and the overall effectiveness and efficiency of the whole process.

1.3 The Simpler Recycling Legislation came into effect in March 2025 and aims to standardise recycling across England and includes the requirement that all households are required to have a weekly food waste collection from 31 March 2026.

2 Executive Summary

2.1 Council officers have worked with both Department of Environment, Food and Rural Affairs (DEFRA) and Veolia ES Shropshire to find the most cost-effective solution to deliver a weekly food waste service. There has been ongoing dialogue with DEFRA since 2023 through formal responses and monthly meetings where the council have raised concerns regarding the mechanism and amount of revenue funding that would be available to operate the service in the long term and all indications were that this would be through new burdens funding.

2.2 The "new burdens" funding legislation refers to the UK's **New Burdens Doctrine**, a policy requiring central government to fully fund any new duties or initiatives placed on local authorities (LAs), preventing unfunded mandates that would raise council tax. While not specific legislation, it's a long-standing principle enforced by guidance, requiring departments to assess and cover the net additional costs of new responsibilities including weekly food waste collections

2.3 Although capital new burdens funding has been provided for the purchase of vehicles and bins and transitional funding for delivery, communication and project management due to the council's financial position there has not been the opportunity to allocate the required revenue budget as part of the Medium-Term Financial Strategy (MTFS) for the operational deliver of a weekly food waste service. This would place a significant financial risk on the council at a time when it already faces unprecedented financial pressure on existing services and has had no alternative but to wait until the amount of additional government financial support was known.

2.4 The continued uncertainty regarding the required revenue and the increase in lead times for new vehicles and bins due to the high demand means that, the implementation of the requirement to provide a weekly food waste collections to all households in Shropshire from April 2026 does not appear to be achievable.

2.5 Scrutiny is asked to consider the contents of this report and how the council can fulfil its duty under the Simpler Recycling Legislation to implement a weekly food waste collection in the most cost effective and efficient way given the current budget position and the resources needed to fulfil this statutory requirement.

3 Recommendations

3.1 That scrutiny notes the content of this report; and considers the options detailed in table 7.9 taking into account resources and risks associated with implementing a weekly food collection, with a view to making recommendations to Cabinet on 11th March.

Report

4. Risk Assessment and Opportunities Appraisal

4.1 Strategic Risk:

<i>Risk</i>	<i>Response</i>
Council has no agreed delivery strategy for the statutory requirement for weekly food waste collections and a failure to implement new legislation could lead to enforcement action, fines or legal challenge	<p>We have been part of the DEFRA food waste project for over three years and have raised the issue regarding the Councils financial position with the project lead officer and our Waste Infrastructure Development Programme (WIDP) transactor and that we have not been in a position to make any financial commitment until we receive the required funding and although we have now received capital funding, without confirmation of the revenue funding there is still a risk that we could have the infrastructure, vehicles and caddies but insufficient funding to deliver the service on a weekly basis.</p> <p>We have maintained a constant positive communication through monthly meeting with our nominated WIDP transactor. The advice from DEFRA has been to formally make the decision on direction of travel through the democratic process as we have the evidence that we have raised this issue at every meeting for over a year.</p>
Capital costs, there has been no capital funding for the additional infrastructure cost including transfer stations additional storage bays, permit variation around storage time, additional RCV and staff parking/ welfare etc. Under our contract with Veolia this will fall under the qualified change in law and therefore this cost will fall upon the council, and the expectation is that this will be significant.	<p>We have raised this issue with our WIDP transactor, DEFRA colleagues and through the recent consultation. DEFRA have confirmed that, we can make representations for funding regarding an area not already covered through an appeal.</p> <p>Requesting full details of cost from Veolia will ensure that we have a comprehensive understanding of actual contract costs compared to the generic KAT model.</p> <p>We have procured technical consultancy support for the whole of the contract can carry out a full and detailed analysis of these costs to ensure we have a robust argument if we appeal to DEFRA.</p>
Revenue costs, there is no indication as the model to calculate this has not been or will be shared with WCAs if this is not announced in the November budget statement then we cannot deliver the service weekly.	Issuing the Authority Notice of change has ensured that we receive accurate and fully evidenced costs from Veolia which can be challenged and must demonstrate best endeavours are used to reduce the costs, requiring Veolia to model 3 weekly collections cost savings will also give an indication as to whether the move to 3 weekly collections

	would be inevitable to be able to afford to collect food waste weekly, hence any savings would need to offset revenue costs to meet any potential funding gap.
The implementation of a weekly food waste collection appears to be unaffordable and alternative options risk the loss of capital and revenue funding	<p>DEFRA have stated that this funding will be provided on a non-ringfenced basis. However, it is important to note that this funding is allocated specifically for the additional responsibilities and costs arising from the weekly food waste collection service roll-out, if the money is not exhausted delivering the project, they will request that it is used for the delivery of other waste improvements.</p> <p>The potential use of the funding to deliver other alternative options would require legal advice and DEFRA approval</p>

5. Financial Implications

5.1 The Council has received funding of £835,945 to cover the cost of these transitional activities and this has been split across two financial years 2024/25 and 2025/26. The funding has been split due to financial planning reasons due to available budgets in each year and may not align to activities that would occur in sequential order. This funding has been provided on a non-ringfenced basis. However, it is important to note that this funding is allocated specifically for the additional responsibilities and costs arising from the weekly food waste collection service rollout.

5.2 New burdens funding for capital and resource for delivery that has been provided to date is £3,627,036

Table 5.3

Funding	2023/24	2024/25	2025/26	2026/27
Capital Transitional Funding (vehicles/caddies)	2,791,092			
Resource Transitional Funding (officers time, project management, caddie delivery, communication)		561,709	274,235	
Ongoing Revenue (staff and vehicles)				TBC
	2,791,092	561,709	274,235	

	561,709			
	274,235			
Total Funding	3,627,036			

5.4 If option 3 detailed within table 7.8 is considered the best option for the council, it is estimated that this could cost an additional circa £3.8m to implement. Appendix 1 states that councils will receive additional money detailed within the budget settlement in December 2026; this has not been the case.

5.5 As detailed in the MTFs cabinet paper 21 January 2026, 'The Provisional Local Government Settlement has been calculated based on the outcomes from the Fair Funding Review undertaken in the summer of 2025 and has resulted in the consolidation of a number of other specific grants previously received. The intention of the Fair Funding Review was to accurately reflect the costs involved in providing services in local government. Following consultation, the government has decided to remove all remoteness related funding to the Area Cost Adjustments except for Social Care, and as a result, the provisional settlement is £4.4m less than had originally been anticipated. Combined with the loss of Rural Services Delivery Grant in 2025/26, this has resulted in a total loss of funding of £13.3m for Shropshire residents. This anticipated loss of funding was reflected in the Council's application for 2026/27 exceptional financial support'.

5.6 It is therefore difficult to see how the any new burdens money has been provided to the council when the settlement was in fact lower than anticipated, and no money ringfenced for weekly food waste collection.

6. Climate Change Appraisal

6.1 Significant model of the carbon impact of the existing base case collections service (as now) have already been undertaken as part of the food waste delivery programme. Local Partnerships applied the Waste & Resources Assessment Tool for the Environment (WRATE). This is a Life Cycle Assessment model developed by the Environment Agency specifically for the purpose of modelling municipal waste management system impact on the environment. The Kerbside Collection Tool (KAT) was also used to derive the vehicle mileages based on averages supplied by the current waste operator.

6.2 All emissions relating to global warming impacts (e.g. methane, carbon dioxide, nitrous oxide) are converted to kg of CO₂ equivalent, over a 100-year timeframe. This is standard practice for models considering carbon impacts of waste management processes.

6.3 The overall result for Shropshire was a carbon impact of the whole waste services of – 2,273,226 Kg Co₂ so an overall positive position due to carbon offsetting and mitigation. However, the introduction of 18 new collections rounds will inevitably increase our carbon impact but will be positively impacted in the amount of food waste diverted for treatment through the ERF.

7. Background

7.1 The Environment Act came into force in April 2021 and sets out a framework for long term environmental goals and established new legal duties and powers for the government to take action to address various environmental challenges and is a significant step in the UK achieving a more sustainable and greener future.

7.2 A New Burden is defined as any policy or initiative which increases the cost of providing local authority services. This includes duties, powers, or any other changes which may place an expectation on local authorities, including new guidance this only applies where central government requires authorities to do something new or additional

7.3 Improved consistency in recycling collections relates to the standardisation of recycling collections to ensure that there is consistency in the types of materials accepted for recycling, the collection methods and the overall effectiveness and efficiency of the whole process. The principal aims are to increase recycling rates, reduce contamination as there will be clear and consistent messaging and conserve valuable natural resources whilst reducing greenhouse gas emissions.

7.4 The Simpler Recycling Legislation came into effect in March 2025 and aims to standardise recycling across England and includes the requirement that all households are required to have a weekly food waste collection from 31 March 2026.

7.5 Officers from the Council have been part of the DEFRA Food Waste Project since 2023 and through the Local Partnerships we were successful in gaining funding to conduct a detailed study to explore the cost, carbon and operational implications of introducing a weekly food waste collection system across Shropshire.

7.6 Detailed modelling work was undertaken and the Kerbside Analysis Tool (KAT) produced by WRAP was utilised to provide a comparative assessment of the capital costs and the additional operational costs of six alternative collection options compared to the baseline (current) service.

7.7 According to DEFRA's exemptions and statutory guidance for Simpler Recycling, Local Authorities can also choose whether to co-collect food and garden waste, factors that may influence their choice include geographic and demographic nature of the area and the infrastructure available.

7.8 The requirement for the Council to provide this service has fallen as 'new burden' duty and both capital funding for vehicles and bins of £2,791m and transitional funding for project management, communications and bin delivery of £835,944 has already been provided, throughout the last three years officers have continually raised their concerns regarding the lack of clarity from Government on both the amount of revenue that will be provided and also the mechanism and have made it clear that due to the Council's financial position we have been unable to make any commitments until such time that the amount of revenue funding was confirmed.

7.9 Option Table

Option	Narrative	Resources needed	Cost implications	Risks	Mitigations
1) Do nothing	We stay as we are, collecting residual waste recycling and paid for garden waste fortnightly	N/A	N/A	The council would be in breach of our mandatory statutory duty to implement a weekly food waste collection and could result in a judicial review, financial redress or fines	Implement a fortnightly collection of food waste in the first instance
2) Introduce a fortnightly collection of food waste to all households collected with garden waste	The waste contract has the provision for the fortnightly collection of 'kitchen waste' with garden waste. In this instance all households would receive a fortnightly collection of their food waste, and this would be collected alongside the paid for garden waste and emptied into the same vehicle.	This would require some negotiation with Veolia and the establishment of a small project team delivery team.	This is expected to be negligible, although may require 1 or 2 additional vehicles, but will be dependent on further negotiation. The cost associated with the purchase of the 23 litre food waste bins, kitchen caddies and delivery has already been provided through the new burdens funding.	The council would still be in breach of our mandatory statutory duty to implement a weekly food waste collection and could result in a judicial review, financial redress or fines	Implement of a fortnightly collection of food waste only to all households This alongside the fortnightly collection of food with garden waste would ensure that food waste is collected weekly albeit in different vehicles Note we could start food collection with the fortnightly paid for garden collections from the 1 April 2026 pending the roll out of food waste bins and caddies to all households
3) Weekly food collection by	This is the preferred option from the	This would require the establishment of a project	The operational delivery of this option	It would appear at this moment in time	Officers continue to engage with DEFRA to

introducing a fortnightly separate collection of food waste only	<p>modelling of options undertaken and alongside the fortnightly collection of food with garden waste will ensure all households receive a week collection of food so collection Week 1 – food collected with paid for garden waste, Week 2 food only collection, Week 3 – food with paid for garden waste, Week 4 – food only collection</p> <p>Residual waste and recycling stay as they are</p>	delivery team, however the procurement of vehicles, food waste bins, kitchen caddies, delivery and the recruitment of staff would fall under Veolia's responsibility .	has been modelled and associated cost through the contract payment mechanism provided. Indicative cost shows a revenue budget requirement of circa £3.8m per annum this includes the requirement for 52 additional staff and 20 vehicles and a shortfall in capital of circa £4.2m	<p>insufficient revenue funding to implement this option has been provided as part of the council's settlement as indicated by government.</p> <p>Implementation of this option presently would require an additional £3.8m per annum or £15.2m over the settlement period of unbudgeted revenue to be included in the MTFS.</p> <p>The additional capital cost would need to be included in the capital programme</p> <p>Even if agreed this option cannot be implemented until April 2027 at the earliest as this is dependent on vehicle manufacturers build time (presently 12 to 18 months).</p> <p>The risk therefore remains that: The council would still be in breach of our mandatory duty to implement a weekly food</p>	<p>seek support/advice on how the council can deliver weekly food waste collections given the current financial crisis</p> <p>Formal notice should be given to DEFRA that the council is unable to adhere to the implementation date and negotiate transitional arrangements with a deferred implementation date and this will include a TEEP assessment</p> <p>Further to the details set out as part of the provisional Government Settlement and as part of the consultation the council formally raise our concerns regarding insufficient revenue funding for the council to fulfil this new burden with Government.</p>
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8 Additional Information

8.1 Undertaking a Technically, Environmentally and Economically Practicable' (TEEP) Assessment would be beneficial in the council making the case for delivering a service that is the most effective and financially sustainable within the existing contractual requirements, available new burdens funding and Medium Term Financial Strategy (MTFS) and this can be submitted to Department for Environment, Food and Rural Affairs (DEFRA) and the Ministry of Housing, Communities and Local Government (MHCLG) to justify the council position and any transitional arrangements for example introducing the fortnightly collection of food with garden waste as part of a phased approach.

9 Conclusions

9.1 The implementation of the requirement to provide weekly food waste collections to all households in Shropshire from April 2026 does not seem to be achievable. This due to the delays in the provision of the required revenue funding and officers have worked with both DEFRA and Veolia to find the most cost-effective solution, and due to the councils financial position with no available revenue within the general fund through the MTFS we have not been in a position to make any commitment of capital for example vehicles without the budget for staff and running cost.

9.2The waste PFI contract is complex and there has been a significant amount of work undertaken to fully understand the actual costs whilst finding the most cost-effective solution. The council now have detailed costs for the separate fortnightly collection of food waste which have been challenged and scrutinised, and we can demonstrate to central government the additional financial burden and challenges the council faces to implement the phased weekly collection of food waste whilst still delivering a fortnightly one.

9.3 Options have been developed to consider a transition approach; however this would need to be agreed by DEFRA and the council needs to understand the potential risks associated with the delayed implementation.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Local Member: *ALL*

Appendices GD No 31 7989 Weekly Food Waste Transition Letter – letter confirming ongoing resource funding for food waste services from April 2026 will be included in the Local Government settlement