

Appendix A

Cost Implications of Removing Food Waste from the Organic Bin in Both Authorities

Existing		Proposed			Comments
2013/14	£	2014/15 £ Oct - Mar	2015/16 £	2016/17 £	
					<b>Potential Income/reduced costs</b>
	Comments				
183,680	The County Council pays Recycling Credit to the Service for the 4,000 tonnes it takes to the Etwall In Vessel Compostor because the Authority has the contract with Biffa Waste. The service does not receive a credit for the material taken to the other In Vessel facility at Sharehill because the County Council has the contract with the owner.	260,570	895,140	922,150	Assumes that Lichfield or the Joint Waste Service procure their own contact for Windrow Composting. Based on organic waste collected 2012/13 of 19,348 tonnes and with 5% reduction due to removal of food waste. Recycling credit £47.29/tonne in 2014/15, £48.70 in 2015/16 and £50.17 in 2016/17.
	There is no reduction in infrastructure because the Joint Waste Service is delivering to two distant IVC facilities - Etwall and Sharehill.	35,000	120,000	120,000	<b>Figures are provisional.</b> Assumes that the collection infrastructure (Vehicles, men and fuel) can be reduced throughout the year provided a local Windrow Composting facility can be procured.
		<b>295,570</b>	<b>1,015,140</b>	<b>1,042,150</b>	
	There is no gate fee payable as the Service isn't currently using a Windrow Facility	108,000	333,210	343,270	Assumes a cost of £22.50 per tonne in 2014/15, £23.17 in 2015/16 and £23.87 in 2016/17. Yield of 19,348*95% less 4,000 IVC ie 14,381 tonnes
	The Service has to pay the Gate Fee on the 4,000 tonnes it delivers to Etwall because it has procured the facility jointly with East Staffs and South Derbyshire.	45,380	186,960	192,560	4,000 tonnes delivered to fulfil contractual obligations with Biffa Waste and the 2 other partners. Gate fee of £45.38 in 2014/15, £46.74 in 2015/16 and £48.14 in 2016/17.
	Communication cost of launch – leaflets, letters, bin stickers and newspaper adverts	45,000			
	Continuing education and communication reminding residents that they cannot put food waste in their garden waste bin		20,000	20,000	
	Cost of checking bins for food contamination. There is a high risk that residents will continue to put food into the garden waste bin despite all the communication that will take place advertising the change	40,000	25,000	15,000	Initially a team will be employed for six months, five days per week to check bins at the kerbside on a round by round basis – includes transport. The checks can be scaled back thereafter
	Cost of removing food waste from garden waste	35,000	22,500	11,250	There will be a need to resource operatives at the Windrow facility for a long time in order to remove food waste from the garden waste otherwise loads will be rejected. The consequences of the Animal By Products Order are strict in this instance. Assumed two operatives employed five days/week plus disposal cost of waste
	Cost of procuring the Windrow Contract	6,000	0	0	County Council and Legal Fees
		<b>279,380</b>	<b>587,670</b>	<b>582,080</b>	
<b>Impact</b>	The income received from the Recycling Credit covers the cost of the gate fee paid to Biffa Waste with a small surplus				
<b>Summary</b>					
	<b>Total Income/Reduced Costs</b>	<b>295,570</b>	<b>1,015,140</b>	<b>1,042,150</b>	
	<b>Total Costs</b>	<b>279,380</b>	<b>587,670</b>	<b>582,080</b>	
	<b>Potential Saving</b>	<b>16,190</b>	<b>427,470</b>	<b>460,070</b>	
	<b>LDC Saving</b>	<b>9,410</b>	<b>248,390</b>	<b>267,340</b>	
	<b>TBC Saving</b>	<b>6,780</b>	<b>179,080</b>	<b>192,730</b>	