

REPORT TO	ON
CABINET	21 ST JUNE 2017

Jan 2017



TITLE	PORTFOLIO	AUTHOR	Agenda item No.
INTRODUCTION OF A GARDEN WASTE COLLECTION SUBSCRIPTION SCHEME	NEIGHBOURHOODS AND STREETSCENE	LAURA WRIGHT WASTE MANAGEMENT OFFICER	

Is this report a KEY DECISION (i.e. more than £75,000 or impacting on more than 2 Borough wards?)	Yes
Is this report on the Cabinet Forward Plan ?	Yes
Is the request outside the policy and budgetary framework and therefore subject to confirmation at full Council?	No

1. PURPOSE OF THE REPORT

To seek approval of the Terms and Conditions for the introduction of a chargeable service for the collection of garden waste. This is in line with the approved Medium Term Financial Strategy (MTFS) which includes the introduction of charges for garden waste collection.

2. RECOMMENDATIONS

2.1 That Cabinet approve the Terms and Conditions of the approved chargeable garden waste subscription service as appended to this report.

3. EXECUTIVE SUMMARY

This report outlines the implementation of a chargeable garden waste collection subscription service to be introduced in April 2018, in line with the approved MTFS. The report details the factors that have influenced the reasons why the Council needs to introduce a chargeable service. This is to replace lost income streams which will help the council maintain the provision of its high performing waste service which is valued by residents.

The report also details key elements and timescales of the implementation programme including communications and income projections for the first two years of the scheme.

Appended to the report are the Terms and Conditions of the Garden Waste Collection Subscription Service which outline how the scheme will operate and includes details of eligibility and the application process.

4. CORPORATE PRIORITIES

The report relates to the following corporate priorities:

Clean, green and safe	√	Strong and healthy communities	√
Strong South Ribble in the heart of prosperous Lancashire		Efficient, effective and exceptional council	√

5. BACKGROUND TO THE REPORT

5.1. The decision of Lancashire County Council to cease the cost sharing agreement from 31st March 2018 leaves a significant funding gap for the Council, with a loss of income per annum of circa £1m which is currently used to support the Council's high performing waste and recycling services.

5.2. The cost sharing agreement was introduced to enable participating districts to invest in kerbside recycling collections to help reach the Lancashire Waste Strategy targets of 90% of households receiving a three-stream collection. This has been achieved and significantly exceeded in South Ribble. The loss of the cost sharing income creates a risk for the Council in its ability to continue to provide the current high levels of service expected by residents.

5.3. The cost sharing agreement has a number of conditions that the Council has to adhere to which includes a fortnightly collection of garden waste.

5.4 In response to this loss of income the Council included in its approved budget and MTFs the introduction of a chargeable garden waste subscription service with an implementation date of 1st April 2018.

5.5 All other district councils in Lancashire except one have now either introduced or committed to introduce a chargeable garden waste collection service.

6. PROPOSALS, RATIONALE AND DETAIL

National and Local Picture

6.1 WRAP (Waste and Resources Action Programme) are national leaders in helping organisations achieve greater waste resource efficiency through their work with government, businesses and communities. Research conducted by WRAP shows that increasing numbers of local authorities are introducing a charge for the collection of garden waste from residential properties mainly via a fortnightly collection.

6.2 Charges vary widely from authority to authority across the country with fees ranging from £24 to £80 per bin per annum. The study found the median charge for a wheeled collection service was £35 per year.

6.3 Charges in Lancashire range from £25 - £37.50. Some authorities have offered incentives such as a cheaper first year or discounts for early sign up to the scheme.

6.4 Recycling performance is likely to drop due to a chargeable garden waste collection as some residents will find alternative options for disposal, such as home composting which is to be encouraged as waste reduction is better than recycling. Some residents with small gardens may also choose to dispose of their garden waste in their residual waste grey bin. Greater use of the local Household Waste and Recycling Centre which will still accept garden waste free of charge

may also occur as a result of a chargeable collection service. However, this garden waste will still be recycled and composted although it will not be reflected in the council's recycling figures.

It should also be noted that on a national level recycling performance is already starting to show a reduction which may be a result of local policies, recycling campaigns and initiatives being cost prohibitive etc.

6.5 Overall, nationally there is not a significant adverse public reaction to the introduction of garden waste charges. This has been confirmed with those councils in Lancashire which have already introduced charges.

6.6 Over 50% of Local Authorities in England and Wales now charge for garden waste collections and all Lancashire authorities except one have either already implemented or committed to implement schemes.

6.7 Whilst the Council has a statutory duty as a waste collection authority to provide a waste collection service to its residents, this does not include garden waste which is a non-statutory concessionary service.

6.8 The Council faces significant budget pressures especially with the LCC cost sharing income ceasing in March 2018. With a projected budget gap of £3.386m by 2019/20, the income from charging for the garden waste collection service would make a major contribution towards easing these pressures and help maintain services that may otherwise be reduced or ceased.

6.9 The garden waste collection service is currently funded by all council tax payers, including householders with no gardens or those not currently included in the collection service. For this reason, it could be argued that it is fairer to only charge those properties that require a collection service. (In the same way, for example, that those households who request a bulky waste item collection are required to pay for the service).

The Scheme

The following key elements of the scheme and the detailed Terms and Conditions of the Garden Waste Collection Subscription Service are appended to this report:

6.10 Given that the introduction of a charge for garden waste is a significant alteration to the current service, a sufficient lead-in time is required to ensure a smooth transition and continuous excellent service to our residents. A timeline of the key stages is outlined below:

21 June 2017 – approval required from Cabinet.

July 2017 – commence design and implementation of the IT infrastructure that will be required including payment processing and interface between the Council's and FCC's (the Council's waste partner contractor) systems. This is to ensure real time information and accurate collection round data is available in the vehicles.

November 2017 – begin communications with residents, potentially utilising the reverse side of the waste collection calendar which is delivered to all properties. Arrange a press release, use of Forward and include information on our website/social media to coincide with these deliveries. These initial communications would just advise residents that the chargeable service is being introduced and to look out for more information in the New Year.

January 2018 – continue communications with residents through leaflets, stickers on bins, press releases and social media to advise people of the new service. These communications will be more detailed and include frequently asked questions and advising residents as to how they can pay. This is also the time when payments can start to be taken.

April 2018 – commencement of the chargeable service in line with the approved MTFs.

6.11 Charge for year 1 (April 2018 to March 2019) of £30 per bin, to be reviewed on an annual basis. All bins to be charged at £30 including first, second bins etc.

6.12 The subscription period will be annual from 1st April to 31st March each year. There will be no reduction if a household joins part-way through the subscription period. The subscription fee would be for a complete year regardless of how many times a household presents their bin for collection. Therefore, there would be no reduction should a household not present their bin on all scheduled collection days. There would also be no refunds made for those who wish to cancel their subscription part way through the year (other than the statutory 'cooling off' period when a resident signs up to the scheme). During the Christmas period collections will be suspended for a period of time which will be notified to the residents.

6.13 No concessions are proposed and the charges will apply to all households, regardless of personal circumstances.

6.14 There is no limit to the number of bins that would be emptied from a household. The first bin charge will apply to any second and additional bins.

6.15 If households choose not to subscribe to the scheme, their garden waste will not be collected and they will need to make their own alternative arrangements to deal with it. Residents will be advised of alternative options which could be to deposit their garden waste at the local Household Waste and Recycling Centre free of charge or consider home composting. Residents could consider using a county wide scheme for discounted home composters.

6.16 First garden waste bins for new customers will still be provided at no cost to residents who subscribe to the scheme but the bins would still remain the property of the Council. Any bin replacements that are required will be in line with the Council's bin charging policy.

6.17 All households will receive a leaflet with full details about the introduction of the charge, why the Council is introducing it, how they can subscribe to the chargeable service and frequently asked questions. As per the timeline above, these will be delivered in January 2018 to allow sufficient time for residents to subscribe ready for the commencement of chargeable collections in April.

7. ALTERNATIVE OPTIONS CONSIDERED

7.1 The introduction of a chargeable garden waste collection service in April 2018 has already been approved as part of the 2017/18 budget and MTFs. Therefore no other alternatives have been considered.

8. WIDER IMPLICATIONS AND BACKGROUND DOCUMENTATION

8.1 Financial Implications

8.1 Income from the chargeable scheme is included in the MTFs with a first year income target of £450,000 increasing to £540,000 in 2019/20.

8.2 One off start-up costs in 2017/18 will be up to £86,000. This is to meet the cost of IT development and implementation, publicity and communications and the additional staffing resources to ensure a seamless implementation and high levels of customer service. This is included in the 2017/18 revenue budget. Residents will be encouraged to pay on line and the Council will benefit from being able to interface IT systems with FCC's in cab technology.

8.2 Comments of the Statutory Finance Officer

The Terms and Conditions must be in line with the proposals accepted and approved by Council on 1st March 2017 for the authority to deliver its commitment to the approved 2017/18 MTFS with regard to the target set for additional income to be generated. Any adverse impact will increase the significant financial risk already facing the Council.

8.3 Comments of the Monitoring Officer

This is a discretionary service for which councils may impose charges – the relevant legislative provisions are set out in the Environmental Protection Act 1990 and the Controlled Waste (England and Wales) Regulations 2012.

Many councils throughout the country have now indeed introduced such charges.

We will liaise with our waste partner FCC to ensure that such a charging scheme will be introduced and administered in an efficient and equitable way.

Other implications:	
Risk	<p>The risk of not introducing a charge for garden waste will lead to a significant budget shortfall in the current MTFS.</p> <p>Whilst there is a risk that the number of subscriptions to the service are not as high as estimated, learning from other districts suggest that the financial targets should be met.</p> <p>Charging for garden waste could lead to an increase in the amount of waste being put through the residual waste stream which will negatively impact on recycling rates.</p>
Equality	<p>An Equality Impact Assessment is in place for the waste service. This will be updated to reflect this policy and include consideration of safeguarding matters with no issues anticipated.</p>
HR	<p>A number of short term temporary staffing appointments will be required to ensure a seamless implementation and to maintain high levels of customer service.</p>

9. BACKGROUND DOCUMENTS

Appendix 1: Terms and Conditions of the Garden Waste Collection Subscription Service.

2017/18 Budget and Medium Term Financial Strategy.