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| COMMITTEE | COMMUNITIES SCRUTINY COMMITTEE |
| DATE | 19 May, 2016 |
| TITLE | Review of the Garden Waste Collection Service |
| CABINET MEMBER | Coun. John Wynn Jones |
| PURPOSE | To consider and make recommendations on arrangements suggested for charging residents a fee for the collection of garden waste |

1. BACKGROUND

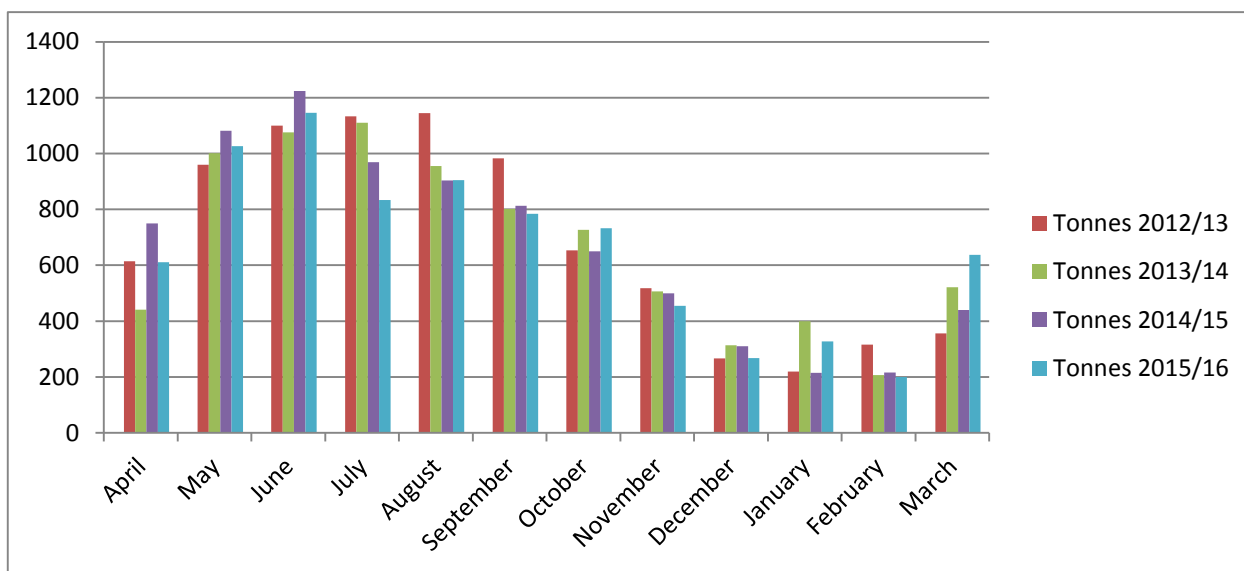
- 1.1 In its meeting of 16 December, 2014 the Cabinet gave approval to implementing a range of efficiency savings schemes which included the ‘Review of the Garden Waste Service’ in order to achieve a saving of £750,000 in the 2017/18 year.
- 1.2 The intention to review garden waste collection arrangements, including the possibility of raising a fee for the provision, is in accordance with the Council’s Waste Strategy (for 2010-2025) adopted by the full Council in its meeting 21 January, 2010.
- 1.3 Under the Controlled Waste Regulation 2012, local authorities can charge residents a fee for its collection (this should not include for the cost of disposal). The Environmental Protection Act 1990 provides flexibility on whether to charge and its scale i.e. a ‘reasonable’ charge is allowed for the service under this Act.
- 1.4 The Welsh Government in its ‘Collections Blueprint’ for waste collection services recommends that residents should be charged a fee for the collection of garden waste in order to help reduce the amount of garden waste put out by householders for collection, and in order to save on collection and landfill costs.
- 1.5 As a consequence, therefore, many local authorities in Wales have reviewed their arrangement by charging a fee for the garden waste collection service. The remaining authorities in Wales, as for Gwynedd, are in the process of considering doing the same.
- 1.6 The purpose of this Report is to enable the Scrutiny Committee to consider the options available to implement the change, and in order to receive recommendations as to how the suggested means of implementing the change can be improved.

2. CURRENT ARRANGEMENTS

- 2.1 Currently Gwynedd Council provides one 240 litre wheeled bin (brown) to every dwelling that receives the service. There are less than 500 households who use a 140 litre bin for the purpose. A very small number of households (less than 200 in number in the County) have their garden waste collected by means of 3 (white) biodegradable sacks. The current collections are at fortnightly intervals and throughout the year.

APPENDIX 1

- 2.2 Not everyone requires the service, there are some residents without gardens, others who can manage their waste by composting at home, with agricultural land or some prefer to take it directly to one of our Recycling Centres. Of the 61530 dwellings receiving a waste collection service, approximately 45204 households (73.5%) receive the garden waste collection service.
- 2.3 Currently the cost of providing the garden waste collection service is circa £807,000 per year. In addition, the cost of replacing and providing receptacles for the purpose is approximately £32,000 per year.
- 2.4 In terms of resources, 17 number (FTE) staff and 3 N^o vehicles are used to deliver the service. This includes the seasonal staff required to meet the increase in usage of the service during the summer.
- 2.5 Once collected, the garden waste is taken to the In-vessel Composter at Penhesgyn, Anglesey to be processed and made into a 'soil improver'. Similarly Gwrtaith Gwynedd's facility at Afonwen is used for the same purpose. The IVC facility is managed in-partnership between Anglesey, Conwy and Gwynedd Council. Composting garden waste allows us to avoid disposing of it by landfill. Since garden waste is biodegradable, the avoidance of disposal by landfill is essential if the Council is to avoid financial penalties from the statutory Landfill Allowance Scheme.
- 2.6 The figure below shows the amount of garden waste collected each month for a 4 year period. The tonnage collected year on year is fairly constant and the use of the service outside the growing season should be noted.



- 2.7 The following table provides a summary of the total garden waste (in tonnes) collected from residents in the last 4 years:

| Year | Total Tonnage Collected |
|---------|-------------------------|
| 2012/13 | 8264 |
| 2013/14 | 8059 |
| 2014/15 | 8072 |
| 2015/16 | 7926 |

- 2.8 The collection of garden waste contributes towards meeting our recycling targets. On 31 March, 2016 this Council achieved 58.75% recycling/composting of municipal waste (the statutory target being 58%). The 58.75% is based upon re-use (0.18%), recycling (35.46%), composting of garden waste collected from residents (approximately 10%), other composting (13.11%). It should be noted that the Council would face financial penalties if the recycling performance fell below 58% in any year, and that the statutory targets of 64% recycling/composting has to be met by 31 March, 2010, and 70% by 31 March, 2025.

3. OTHER COUNTIES EXPERIENCES AND ARRANGEMENTS

- 3.1 Of the 22 Counties in Wales, 9 of them currently charge some form of a fee for the collection of garden waste. 4 of these counties charge an initial fee for the sack used in its collection e.g. £1.50 each for a re-usable sack or £1 for three biodegradable sacks. The other 5 counties charge an annual fee for a regular garden waste collection service and the table below provides details as to their current arrangements:

| County | Charge for the Receptacle | Receptacle | Collection Frequency | Collection Period | Details of Annual Fee |
|---------------|---------------------------|--|----------------------|-------------------|---|
| Blaenau Gwent | No | Hessian sacks | Fortnightly | 9 months | £25 |
| Bridgend | No | 2 Sacks | Fortnightly | 9 months | £27 |
| Denbigh | No | 140 litre bin/ or 240 litre bin or sacks | Fortnightly | All Year | £34 bin 240 litre, £22 bin 140 litre/3 sacks |
| Monmouth | No | Sacks | Weekly | 9 months | £12 |
| Pembroke | No | 240 litre bin or sacks | Fortnightly | 9 months | £38 |

- 3.2 Our understanding from the experiences of others is that when a county changes to charging a fee for the service that was previously for free, there is a significant reduction in the demand and usage of the service in the first year of introducing fee charging. This can be as much as a 60% reduction in the number requiring the service. These counties have also experienced an increase of approximately 20% in the demand for the service in the second year after introducing fee charging.

3.3 We have closely followed the experiences of one county in particular which has introduced charging a fee for the collection of garden waste two years ago. The following illustrates the effect of introducing the change and developments to date:

- ◀ A reduction of up to 60% in the demand for the service in the first year of introducing the change.
- ◀ An increase of up to 20% in the demand for the service in the following year.
- ◀ Payment Method – kept simple and on-line by card/£2 additional charge if arranged over the phone.
- ◀ Renewal Method – kept simple and on-line/by phone (renewal within 12 weeks of year end).
- ◀ Knowing whom to collect from – unique label on receptacle.
- ◀ Collection Day – on the calendar with label provided on paying the fee.
- ◀ Garden Waste in Residual Bin – not acceptable, enforcement measures necessary.

3.4 These authorities have experienced a reduction in demand for the service upon the introduction of fee charging. This has led to a reduction in costs to the authority for collecting and dealing with the garden waste.

4. RELEVANT CONSIDERATIONS ON ITS INTRODUCTION IN GWYNEDD

4.1 The Receptacle for this Purpose

Although there would be benefits in changing to using new receptacles (of a different colour) when introducing the change, the cost of doing so would be prohibitive. The cost of providing a 240 litre wheeled bin is currently approximately £25 e.g. if 40% of households in the County required the service, the cost of providing new bins for the purpose would be around £615,000.

It is therefore recommended that the existing receptacles should be used for the purpose. In doing so, certain issues need to be addressed as follows:

◀ **if an additional bin is requested for garden waste should it be allowed?** *It is suggested that this should be allowed and based upon an additional fee for the provision (say 15% less than the fee for the first bin).*

◀ **if there is a request for a smaller bin e.g. changing from a 240 litre size to 140 litre – should it be allowed?** *It is suggested that this should be allowed with the fee being that set for collecting by means of the smaller receptacle (which is at say 15% less than the fee charged for a 240 litre bin).*

◀ **if there is no longer a need for the garden waste bin, should it be collected from the property?** *It is suggested that it should only be collected from the property only when there is a request from the resident to do so.*

◀ **for the few that receive collections by means of 3 biodegradable (white) sacks, should there be a charge for providing the sacks as other counties do** (see 3.1 of this Report).

It is suggested that it should be part of the annual fee charged for the service, however, the number of sacks should be increased from 3 to 5 in order to be consistent in terms of volume with that of the 240 litre wheeled bin.

◀ it is anticipated that a label will be provided annually to the customer upon payment of the fee and for placing on the receptacle. We are aware of at least one county that charges a £10 fee if the label is lost and needs to be replaced. Should we follow suit?

It is suggested that this should not be done but could be considered in future if it causes additional administration.

4.2 Collection Frequency

Since residents have got used to receiving a garden waste collection service at fortnightly intervals, it is highly likely that there would be an expectation, upon raising a fee, for this to continue. It is recommended therefore, that the frequency remains at fortnightly intervals.

What needs to be considered is whether the service should be provided throughout the year as present or restricted to 9 months in the year (the growing season) as other counties have chosen to do.

The following shows the advantages and disadvantages of the two regimes:

| | Advantages | Disadvantages |
|----------------------------|--|---|
| 9 month collection | <ul style="list-style-type: none"> • Less costs in providing the service • Slightly less fee for the resident | <ul style="list-style-type: none"> • Different to the current service • Slightly more confusing to the customer • Not able to obtain the garden waste tonnage in winter, with an effect on the Composting Facility and recycling figures • Inconsistent and fractured arrangement for the workforce |
| All year collection | <ul style="list-style-type: none"> • Similar to the current service • Simple for customers to follow • Allows for the collection of garden waste in winter, less impact on the Composting Facility and recycling figures • More consistent arrangement for the workforce | <ul style="list-style-type: none"> • Higher costs in providing the service • Slightly higher fee for the resident |

In order to provide a more complete, consistent and simpler service for residents, there are benefits in continuing with the current arrangement of collecting throughout the year. It should be noted from paragraph 2.6 of this Report that a fairly significant tonnage of garden waste is collected during the winter months. The main advantage of collecting for 9 months of the year is in reducing service costs. This is considered further and in more detail in the next section of this Report and in the 'Business Case'.

4.3 The Business Case

The following estimates of costs are relevant to collection and administration only, they do not include composting costs.

| | Labour £ | Transport £ | Other* £ | Income £ | Total Net £ | Annual Saving £ |
|---|-------------|----------------|-------------|-------------|----------------|-----------------------|
| Current Collection Costs | 546,590 | 260,410 | | -- | 807,000 | -- |
| Option 1: All Year >Estimated 40% of current tonnage collected >Fee Level £33/yr | 390,590 | 221,410 | 30,000 | 585,000 | 57,000 | 750,000 |
| Option 2: 9 months of the year >Estimated 40% of current tonnage collected >Fee Level £30/yr | 360,590 | 200,000 | 30,000 | 540,000 | 50,590 | 756,410 |

| | |
|------------------------------------|---------|
| Other* | |
| Administration of Fees | £7,000 |
| Labels | £3,000 |
| Monitoring Officer's Time | £10,000 |
| Additional Recycling Centres Costs | £10,000 |
| Total | £30,000 |

A fee of between £30 and £33 per annum compares well with that set by other authorities (see table in 3.1 of this Report). It is important that the fee chosen ensures that the anticipated annual saving of £750,000 is achieved.

There is a need for caution when considering the above figures since it is very difficult to predict exactly how many will use the service upon charging a fee. The estimates above do however illustrate how the anticipated annual saving of £750,000 can be realized upon implementing the change and in choosing the appropriate level of fee for the service. This can be achieved by collecting throughout the year or for a period of 9 months only. Given that there is only a £3 difference annually in the fee charged to residents between options, it is suggested that the current regime of collecting all year round should be maintained.

It is also apparent, given the uncertainty in predicting the actual demand for the service on charging a fee, that it will be necessary to review the level of fee on an annual basis and in order to ensure that the anticipated savings are achieved.

4.4 Staff Obligations

On implementing Option 1 i.e. collection throughout the year it is anticipated that 6 (FTE) collection staff posts will be lost. With Option 2, it is anticipated that 7 (FTE) posts will be lost. It is essential that staff and their relevant unions are fully consulted with when implementing any changes to the service. From the perspective of ensuring employment, the option of collecting throughout the year is better.

4.5 Administration

In order to collect fees it will be necessary to establish an arrangement whereby it can be paid by means of a debit or credit card by using the Council's website or by contacting Galw Gwynedd. Payment by means of a cheque or cash should only be allowed through visiting Siop Gwynedd. It should be noted that rules that derive from the Local Government Finance Act 1992 do not allow us to collect fees by means of the Council Tax payment system.

4.6 Monitoring Compliance

In introducing fee charging for the collection of garden waste, there are concerns regarding residents placing garden waste in their residual waste bin. This is less likely as a consequence of introducing three weekly collection of residual waste since there is less available space in the residual bin, however, it is still a possibility.

In order to prevent this happening, it will be necessary to monitor the use of the residual bin and take enforcement measures under Section 46 of the Environment Protection Act, 1990 where there is misuse.

In raising awareness of residents to the change, it will be necessary to stress that disposal of garden waste by means of the residual bin is unacceptable.

4.7 Raising Awareness

As for the case of introducing 3 weekly collection of residual waste, significant work in raising awareness to the change is necessary. An Engagement Task Team will be set up for this purpose.

Use will be made of the Council’s Website, Newyddion Gwynedd, Rhaeadr, social media and local papers to disseminate information and to make residents fully aware of the new arrangements.

One of the key issues to address is ensuring that it is easy for residents to pay for the service. After time, it is likely that collection routes will need to be changed in order to deal with changes in the volume of garden waste collected. In doing this, every effort will be made to keep to the arrangement that all waste i.e. food, recyclates, residual and garden waste are collected on the same collection day.

4.8 Effect on Gwynedd Council’s Recycling Performance

It is anticipated that there will be a reduction in the tonnage of garden waste collected on introducing the change and this will have an effect, especially in the first year after introduction, on our recycling performance. This can result in up to a 3% fall in our recycling rate. It is imperative that this does not cause us to fall below the 58% recycling target which would result in this Council facing financial penalties.

Taking account of the measures planned in our Waste Strategy, the following profile is envisaged in terms of recycling performance upon implementing this change to garden waste collections.

| Year | Statutory Target | Performance Envisaged | Relevant Measures |
|---------|------------------|-----------------------|--|
| 2015/16 | 58% | 58.75% | |
| 2016/17 | | 59.8% | |
| 2017/18 | | 58.5% | <ul style="list-style-type: none"> • Fee charging for Garden Waste, reduction of up to 3% in performance |
| 2018/19 | | 63% | <ul style="list-style-type: none"> • 1% increase in performance due to increase in garden waste collected • Regional Project (treatment of residual waste) operational |
| 2019/20 | 64% | 67% | |

Therefore, despite the fall in performance envisaged in the first year of implementation, we do not envisage falling below the 58% statutory target during the period leading up to the next statutory target of 64% in 2019/20. **We will, however, have to monitor this very carefully when implementing the change.**

4.9 Timescale for Introducing the Change

In introducing the change, there are advantages in having arrangements based upon the calendar year i.e. to start 1st January, 2017. This coincides with the 'quietest' time of the year for the collection of garden waste, it is well in advance of the start of the growing season and helps with using a label system for the year. It also has benefits in terms of ensuring the anticipated savings are achieved in the 2017/18 financial year. To start 1st January, 2017, it will be necessary to collect and receive payment of fees between October and mid December, 2016.

5. RECOMENDATIONS

- 5.1 The Scrutiny Committee to consider the options available in implementing the change and to provide recommendations as to how to improve on what is suggested in order to achieve this change and expected savings.