

Cabinet – 25 October 2017

Garden Waste Charging

Portfolio: Clean and Green

Related portfolios: None

Service: Clean and Green Services

Wards: All

Key decision: Yes

Forward plan: No

1. Summary

- 1.1 The purpose of this report is to present to Cabinet the results of the public consultation on charging for garden waste collections and consider proposals for savings and efficiencies as part of the 2018/19 Resource Allocation Programme.
- 1.2 In October 2016 Walsall Council's Cabinet approved the introduction of charging for garden waste collections, subject to public consultation. This would make a saving in the region of £300,000 and give the potential to extend the service and collect garden waste for more months of the year than we currently do.
- 1.3 The saving was deferred to 2018/19 to allow appropriate public consultation to take place. Public consultation took place between June and August 2017, the findings of which are detailed later in this report.

2. Recommendations

- 2.1 That Cabinet consider the findings of the public consultation and decide on the future direction of the garden waste collection service for 2018 and either:
 - a) Retain the existing garden waste collection service free of charge, no change.
 - b) Introduce a charge for garden waste collections with an extended season of eleven months at a rate of £35 per annum per household. This would make a saving in the region of £300,000 per annum.

- c) Provide a reduced free service, three weekly garden waste collections over a period of 36 weeks between March and November, saving circa £138k per annum.
- d) Provide a reduced free service, three weekly garden waste collections over a period of 30 weeks between April and October, saving £213k per annum.
- e) Provide a reduced free service, three weekly garden waste collections over a period of 24 weeks between mid April and mid October, saving £289k per annum.
- f) In conjunction with recommendations c, d & e consider the possibility of residents paying for a second bin or paying for a longer collection season. To be considered for implementation post 2020/21.

3.0 Report Detail

3.1 Council Responsibilities

3.1.1 As a Unitary Authority, Walsall Council has the responsibility for both waste collection and waste disposal. As a Waste Collection Authority (WCA) and Waste Disposal Authority (WDA), Walsall Council has a number of statutory obligations. These include:

- A duty under Section 45 of the Environmental Protection Act 1990 (EPA 1990) to collect household waste and, if requested, commercial waste within Walsall.
- Responsibility under Section 48 of the EPA 1990 to arrange and provide places for the disposal of waste collected by Walsall Council within its function as a WDA.
- Section 45/ Section 46 EPA:- Right to charge: Under Schedule 1 paragraph 4 of the Controlled Waste (England and Wales) Regulations 2012/811 which makes garden waste collection a prescribed case for the purposes of s45 (3) of the EPA 1990: 'A person at whose request waste other than household waste is collected under this section shall be liable to pay a reasonable charge for the collection to the authority which arranged for its collection; and it shall be the duty of that authority to recover the charge unless in the case of a charge in respect of commercial waste the authority considers it inappropriate to do so.'

3.2 Current Service

- 3.2.1 The current service is a fortnightly collection of garden waste in a 240 litre brown wheeled bin over a seven month period (30 weeks) between April and October.
- 3.2.2 Currently all low rise and a percentage of high rise properties are served with a kerbside collection service of garden waste including grass cuttings, prunings, leaves, old plants & flowers, hedge clippings, weeds etc.

3.2.3 The estimated cost of the current service is circa £885k detailed in the table below:

Description	Cost (£)
Staffing costs	349,657.68
Hire vehicle costs	139,500.00
Fuel	95,604.00
Disposal	300,720.00
Total cost excluding overheads / CSS	£885,481.68

3.3 Public Consultation

3.3.1 Public consultation on a charged for garden waste collection service took place between 9 June and 7 August 2017. The consultation explored the use of the service, behaviours and willingness to pay, as well as views on four possible options for a garden waste collection service:

- Option 1 - Introduce a charge for garden waste collections
- Option 2 - Stop collecting garden waste from households
- Option 3 - Continue with a free but reduced garden waste collection service and make the savings some other way
- Option 4 - Continue with the current garden waste collection service without any changes and make the savings some other way

3.3.2 There were two aspects of the consultation exercise - a postal survey and an online questionnaire. Alternative formats were offered on request.

3.3.3 **Postal Survey** - A postal questionnaire was sent to a random sample of 13,819 households who have a brown garden waste bin. The addresses were drawn from the council's Mayrise database used for managing residential waste collections. An eight page questionnaire, in the form of an A5 booklet, and covering letter was posted to each address in the sample on 9 June 2017.

3.3.4 By the closing date of 7 August 3,754 valid responses had been received, representing a 27% response rate.

3.3.5 Key findings from the postal survey were as follows (full details are provided in Appendix A);

- Satisfaction with the current service is high with 89% of respondents being very or fairly satisfied with the current service.
- Option 1 - 16% of respondents stated that they thought the Council should adopt the introduction of a charge. When explored further, 19% stated they would accept a charge for the service if it met their needs and the price was acceptable, with 29% saying they might accept a charge for the service if it met their needs and the price was acceptable. 49% of all respondents stated they would not sign up for a chargeable service, with the remaining 3% saying they do not want or require the service. The annual cost which postal respondents are most likely to mention as acceptable is £20, with the mean cost given being £26.53.
- Option 2 - 3% of respondents stated that they thought the Council should stop collecting garden waste from households.
- Option 3 - 35% of respondents stated that they thought the Council should adopt a reduced garden waste collection service and make the savings some other way.
- Option 4 - 42% of respondents stated that they thought the Council should continue with the current garden waste collection service without any changes and make the savings some other way.
- 4% of respondents did not know or had no preference on which option should be adopted.
- Amongst those who indicated they would or might sign up to a chargeable service, the summer months are the most popular months for garden waste collections, with over 80% of respondents stating that they would use the garden waste collection service from May to September (approximately 22 weeks).
- The months of April and October were slightly less popular than the summer months (78% and 74% respectively). A service covering April to October being approximately a 30 week service.
- Half of all respondents (51%) stated that they would use the garden waste collection service in March, with perceived usage dropping markedly to 38% in November. Based on this, a March to November service would be approximately 36 weeks.
- 56% of respondents want the service extended to more months of the year or kept at the same frequency as now (23%). However, relatively few would like the service provided over 11 months (3%) or 12 months.

- Service usage is generally high with 74% of respondents putting their bin out for collection between 10 and 14 times per year. Of these respondents, 47% put out a full bin.
- 42% of all respondents, regardless of how often they put their bin out for collection, say that their bin is full to capacity. 39% of respondents present a bin that is not full to capacity but more than half full. 15% of respondents present a bin that is about half full and 3% less than half full. Therefore a total of 57% of respondents have a brown bin with spare capacity. 1% did not provide an answer.
- 17% of respondents put their bin out for collection between 5 and 9 times per year, with 74% having spare capacity. 9% of respondents put their bin out for collection 4 times a year or less and 65% have spare capacity.

3.3.6 **Online questionnaire** - In addition to the random postal survey, anyone could have their say via an open online survey on the council's clean and green webpage. In total 405 responses were received.

3.3.7 As this approach was conducted online, there was no control over who could respond or how many times. The results are therefore unlikely to be representative of the wider population (with more 'avid' garden waste service users responding). The results do however provide useful comparative insight.

3.3.8 Focussing on four key questions, the results of the online and the postal surveys are briefly compared here;

- The results obtained online broadly mirror those seen in the postal survey; there is low appetite for charging for garden waste collections.
- A greater proportion of online respondents (50%) say that the council should adopt option 4 – no change, compared to 42% who said this in the postal survey. Further comparison shows that introducing a charge is also not favoured, with even fewer online respondents (10%) supporting this option compared to 16% of postal respondents.
- Over a third of online respondents (36%) think the council should adopt option 3, a reduced service, with just 1% fewer postal respondents supporting this option (35%).
- Assuming the new service met their needs and the price was set at an acceptable level, 11% of online respondents said they would sign up to a new chargeable garden waste collection service, compared to 19% of postal respondents. 25% said they might sign up. As seen in the postal survey the most common response online is 'No' (63%) compared to 49% of postal respondents.
- The most common number of months online respondents want the service for is 10 months, 3 months longer than the 7 months most commonly indicated by postal survey respondents.

- Online responses show that the most popular months of operation cover April to September, with between 89% and 94% of respondents preferring these months. In comparison the most popular months mirror those preferred by postal survey respondents. However, one slight difference is that online results show a bigger difference in the proportion who prefer April over October (89% vs 79%), whereas there was little difference between these months shown in the postal results (78% vs 74%).
- 51% of respondents present a bin that is full to capacity and a total of 49% present a bin with spare capacity.
- High frequency users are more likely to present full bins, whereas less frequent users are more likely to have spare capacity in their bin.

3.3.9 The conclusions from the public consultation process in relation to delivering budget savings can be summarised as follows:

3.3.10 **Option 1**, There is some low level of support for introducing a charge (16% of postal respondents and 10% of online respondents prefer option 1). Just under a half of postal respondents indicate they would or might sign up 'if the new service met respondents' needs and was priced at an acceptable level' where as 36% said this in the online survey.

In terms of meeting needs and pricing, results reveal:

- Based on the postal survey results the annual cost which respondents are most likely to mention as acceptable is £20, with the mean cost given being £26.53. This is £8.74 below the minimum operating cost identified by the service.
- Most postal respondents want the service extended to more months of the year (56%) or kept to the same number of months as now (23%). However, relatively few would like the service provided over 11 months (3%) or 12 months (4%).
- Taking into account the length of service, the mean cost per collection that postal respondents are willing to pay for each collection is £2.99.

3.3.11 **Option 2**, to stop collecting garden waste was only supported by 3% of postal respondents and there is clearly no appetite for the cessation of the service.

3.3.12 **Option 3**, whilst introducing a charge is not favoured, there is strong support for retaining the service. To continue with a free but reduced garden waste collection service was supported by 35% of postal respondents. An acceptable compromise therefore may be to introduce a free but reduced service, which was favoured by around a third of postal respondents and online respondents. This option could be delivered with a reduced frequency and achieve different levels of savings dependent upon the design of the revised service as detailed within section 3.4 below.

3.3.13 **Option 4**, Perhaps unsurprisingly, results across both the postal and online surveys show that respondents' preferred the option to continue with the current

garden waste service without any changes (free of charge) and make the savings some other way. This would not deliver any savings to contribute towards the Council's Medium Term Financial Plan.

3.3.14 Each of the options carries their own risk as detailed in paragraph 5 of this report.

3.4 Options for consideration:

Option A - Chargeable garden waste collection service

3.4.1 The original estimated costs for a chargeable garden waste collection service that would achieve a £300k saving were based on a 20% participation rate with an annual fee of £35 operated over an extended period, which would generate £700k of income, offset against the costs of operating the service.

3.4.2 The consultation has shown that a 20% participation rate is realistic but results show that residents are only willing to pay a lower fee of circa £20 per annum based on fortnightly collections. On the existing costing model, this would only generate an income of circa £400k and could negate the current saving identified. The existing costing model was based on a fee of £35 per annum, giving a projected annual income of circa £700k. The current service costs £885k per annum, including disposal, to operate. The costing model assumes this would decrease due to a reduction in hire vehicle and agency staff costs but increase due to waste being diverted into the residual waste stream which is circa 4 times more expensive. The net effect being an increase in cost offset by the income from charging.

3.4.3 Careful consideration would need to be given to the annual fee as the level of uptake may be significantly affected by the price and the period the service operates for. These risks are captured in paragraph 5 of this report.

3.4.4 If this option is pursued a revised costing model will be required based on the information determined from the public consultation process.

3.4.5 In order to deliver a full year affect of this saving a decision must be made in October 2017 to allow communications and back office systems to be implemented along with residents signing up to the service and route modelling / resourcing.

Alternative Service - Free but reduced frequency of collections

3.4.6 It is considered that to deliver the customers' expectations of the service and collect garden waste from April to October, or extend the service from March to November and deliver any savings, the frequency of collection would need to reduce.

3.4.7 A reduced frequency of collection would mean that residents' bins are likely to be fuller on each collection. Results from the postal survey identified that 57% of respondents have a bin with spare capacity but 42% of respondents regularly present a bin that is full to capacity. (1% did not know or did not respond).

3.4.8 Informed by the findings from consultation there are three alternative reduced frequency options that have been identified for consideration, each deliver variable levels of savings.

- a) **Option B** - Three weekly bin collections for 36 weeks, over an eight month period between March and November
- b) **Option C** - Three weekly bin collections for 30 weeks, over a seven month period between April and October
- c) **Option D** - Three weekly bin collections for 24 weeks, over a six month period between mid April and mid October.

3.4.9 **Option B** would cost circa £747k and deliver a saving of circa £138k as detailed below.

Description	Cost (£)
Staffing costs	270,846.72
Hire vehicle costs	108,000.00
Fuel	74,016.00
Disposal	294,533.76
Total cost excluding overheads / CSS	£747,396.48

3.4.10 **Option C** would cost circa £672k and deliver a saving of circa £213k as detailed below.

Description	Cost (£)
Staffing costs	225,705.60
Hire vehicle costs	90,000.00
Fuel	61,680.00
Disposal	294,533.76
Total cost excluding overheads / CSS	£671,919.36

3.4.11 **Option D** would cost circa £597k and deliver a saving of circa £289k as detailed below.

Description	Cost (£)
Staffing costs	180,564.48
Hire vehicle costs	72,000.00
Fuel	49,344.00
Disposal	294,533.76
Total cost excluding overheads / CSS	596,442.24

3.5 Part charged for service

3.5.1 The Scrutiny Committee (Corporate & Public Services Overview & Scrutiny Committee) has requested consideration of the possibility of residents paying for a second bin or paying for extra months to extend the season.

3.5.2 Consideration of this option would require further investigation and would incur additional administration and implementation costs. It may also be necessary to carry out additional public consultation to determine the possible take up of any additional service.

3.5.3 Before proposals around this option could be finalised, it would be necessary to decide which option as identified in paragraph 3.4 of this report will be implemented. It is considered the earliest that a charge could be implemented for a second bin or additional collections would be 2020/21 following further public consultation.

3.5.4 A further report would need to be prepared for a future Cabinet in 2019 following a detailed feasibility study and further public consultation.

4.0 Council Priorities

4.1 The garden waste service links to the current priorities set out in the 2017-2020 Corporate Plan as follows:

- Safe, resilient and prospering communities: Walsall is a clean, safe and healthy place, with the right housing to meet need, accessible to all and with a strong sense of belonging and cohesion.

4.2 The brown bin service enables kerbside collection of garden waste for composting assisting in reducing potential fly tipping, and contributing to our recycling and composting performance targets, making the borough a cleaner environment to live and work.

5.0 Risk Management

The following risks and control measures have been identified:

Option	Risk:	Control measures:
A	Level of savings not achieved – Due to uncertainty and variation of service take up and price around a paid for service	a) Prepare a pricing strategy to encourage maximum take up at reasonable cost
B,C	Underachievement of £300k savings	a) Options B and C deliver guaranteed partial saving and additional savings would need to be identified b) Implement Option D to deliver full savings
A,B,C,D	Reduced customer satisfaction, resulting in increased complaints and demands on the Contact Centre This risk is considered higher for Option A and D	a) Communicate the justification and mitigations to residents via website and calendars / leaflets
A,B,C,D	Potential risk of fly tipping for excess / non-	a) Communication campaign

	<p>collected garden waste:</p> <ul style="list-style-type: none"> Lack of ability to cope with capacity and choose to dispose of excess material that does not fit in their bin over a three week period or opt not to pay for the service <p>This risk is considered higher for Option A</p>	<p>about how to dispose of garden waste;</p> <p>b) Encourage home composting and produce guidance literature for web pages;</p> <p>c) Review and amend Household Waste Recycling Centre (HWRC) opening hours to allow more flexibility and access at busy periods;</p> <p>d) Utilise enforcement powers and issue Fixed Penalty Notices to discourage fly tipping.</p>
B,C,D	Resident concerns over capacity (larger garden properties), insufficient room to dispose of all of their garden waste	<p>a) HWRC site access</p> <p>b) Home composting opportunities and education</p> <p>c) Potential to purchase additional bins / collections in the future</p>
B,C,D	Residents concerns over smells from decomposing garden waste over a three week period particularly grass cuttings in the height of summer;	<p>a) Educate on cleaning of bins between collections</p> <p>b) HWRC site access</p> <p>c) Home composting opportunities and education</p>
A,B,C,D	Increased demand for services from Community Protection or Pollution Control	<p>a) Communication campaign about how to dispose of garden waste;</p> <p>b) Encourage home composting</p> <p>c) Review and amend HWRC opening hours to allow more flexibility and access at busy periods;</p> <p>d) Educate on cleaning of bins between collections</p>
A,B,C,D	Reduction in recycling rate due to garden waste going into residual waste stream	a) Educate to utilise either home composting or HWRC sites
A,B,C,D	Potential increase in demand on HWRC sites and queuing times at peak periods (weekends / bank holidays);	a) Review and amend HWRC throughput, opening times, access, days of week
B,C,D	Longer period for residents to wait for missed collections due to e.g. non-presenting or contaminated bins. Resulting in potential 6 week collection;	a) Review and amend HWRC throughput, opening times, access, days of week
A,B,C,D	Potential risk of cross contamination in general waste and recycling bins to meet capacity needs;	<p>a) Encouragement and education</p> <p>b) Collection team monitoring</p> <p>c) Promotional literature about</p>

		what goes in which bin
B,C,D	Review of potential health risks /exposure to staff for three weekly collections of garden waste in relation to bio-aerosols. (fungi spores / moulds) and potential risk of lung problems through inhalation of air bourn spores;	a) Review current risk assessment to ensure control measures are adequate
A	Redundant bins left on the street, causing obstructions	a) Bins retrieved and re used / recycled
A	Introduction of a charge could cause conflict for waste collection crews and potential increase in violent incidents due to majority of residents not receiving a service.	a) Promote the new service and advise of mitigation. Encourage crews to report incidents and support the crews with additional training in dealing with conflict
A	Less vehicles may operate for more months of the year leading to a potential adverse impact on road safety and increased congestion during any extra months the chargeable service may operate.	Carry out route risk assessment to avoid busy roads and busy pedestrian routes at peak times. Minimise reversing manoeuvres, use reversing assistants. Avoid double sided collections on busy roads.

6.0 Financial Implications

- 6.1 In February 2017 Walsall Council's Cabinet agreed, subject to further consultation, to introduce a charge for garden waste collections from March 2018, making an estimated saving of £300,000.
- 6.2 A decision to introduce charging for garden waste collections in October 2017 could still deliver savings in 2018/19. It is difficult to determine the exact level of savings due to the complexity of setting an acceptable charge and achieving the required take up rate as detailed in this report.
- 6.3 Reduced savings of between £138k and £289k could be delivered for an alternative free service as detailed in 3.4 above and the table below.

Comparison of Costs / Savings:

As is model	Option A Chargeable garden waste collection	Option B	Option C	Option D
Current service delivery	Original proposal for service over 11 months, fortnightly collection service	Three weekly bin collections for 36 weeks, over an eight month period between March and November	Three weekly bin collections for 30 weeks, over a seven month period between April and October	Three weekly bin collections for 24 weeks, over a six month period between mid April and mid October
		Reduced frequency	Reduced frequency	Reduced frequency

		Increased season Reduced cost to service	Reduced cost to service	Reduced cost to service
Cost £885k per annum	Saving up to £300k per annum Note costing model to be revised	Saving £138k per annum	Saving £213k per annum	Saving £289k per annum

- 6.4 Based on the current saving in the Medium Term Financial Plan (£300k) the option that is most likely to deliver the required saving is Option D where the shortfall of £11k could be funded from existing Economy and Environment budgets.
- 6.5 If Cabinet choose to continue to implement Option A and introduce a charge for garden waste collections, this could potentially deliver £300k of savings but a revised costing model would be required based on the outcome of the public consultation process as there is a high degree of sensitivity on price and service take up.
- 6.6 In order to deliver the full year effect of this saving from April 2018 a decision must be made in October 2017. This is to allow communication to residents, back office systems to be implemented, residents to sign up to the service and route modelling / resourcing to be undertaken. Deferring the decision until February 2018, when the budget is set, would mean implementation in April 2019 and the saving would not be delivered next year..
- 6.7 If either Option B or C were chosen there would be a shortfall in the required savings of £162k or £87k respectively. This shortfall would need to be met from Economy and Environment budgets and may result in a reduction in service.

7.0 Legal Implications

- 7.1 As a Unitary Authority, Walsall Council has the responsibility for both waste collection and waste disposal. As a Waste Collection Authority (WCA) and Waste Disposal Authority (WDA) Walsall Council has a number of statutory obligations. These include:
- A duty under Section 45 of the Environmental Protection Act 1990 (EPA 1990) to collect household waste and, if requested, commercial waste within Walsall.
 - Responsibility under Section 48 of the EPA 1990 to arrange and provide places for the disposal of waste collected by Walsall Council within its function as a WDA.
- 7.2 The free collection of garden waste is not a service the council has to provide by law. The Environmental Protection Act 1990 gives councils the option to introduce a charge for the service.

8.0 Property Implications

8.1 None arising from this report

9.0 Health and Wellbeing Implications

9.1 This service affects over 90% of households in the borough. It is popular with residents and has a high participation rate. Each proposal will bring about differing impact to residents depending on the preferred service steer. In any event, all residents would continue to have access to the Household Waste Recycling Centres to dispose of their garden waste free of charge.

10.0 Staffing Implications:

10.1 Depending on the service option chosen there will be a reduced need to employ seasonal agency staff during the period the service operates for. There is no impact on full time staff.

11.0 Equality Implications

11.1 An equality impact assessment will be undertaken on the chosen option.

12.0 Consultation

12.1 To inform the decision making process, extensive consultation took place over an 8 week period (9 June to 7 August 2017) which resulted in over 4,100 people responding. As well as seeking to understand brown bin usage, multiple options for how a new garden waste collection service could be delivered were put forward and alternative solutions sought.

The options considered were:

- Option 1 - Introduce a charge for garden waste collections
- Option 2 - Stop collecting garden waste from households
- Option 3 - Continue with a free but reduced garden waste collection service and make the savings some other way
- Option 4 - Continue with the current garden waste collection service without any changes and make the savings some other way

Details of the consultation and results are summarised in section 3.3. A detailed report of results from the postal survey is provided in Appendix 1.

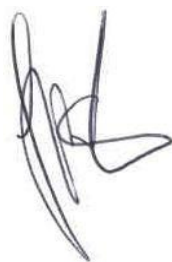
Background Papers

a) Corporate Budget Plan 2016/17 to 2019/20 (saving reference 17)

b) Report to Corporate & Public Services Overview & Scrutiny Committee dated 19 October 2017.

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Simon Neilson
Executive Director

18 October 2017



Councillor Chris Jones
Portfolio Holder, **Clean** and Green

18 October 2017