

## Notice of Meeting

### SCRUTINY MANAGEMENT BOARD

#### CALL-IN

**Monday, 9 February 2009 - 6:00 pm**  
**Meeting Room 2, Civic Centre, Dagenham**

**Members:** Councillor Mrs P A Twomey (Chair); Councillor G M Vincent (Deputy Chair); Councillor R W Bailey, Councillor R J Buckley, Councillor J R Denyer (Lead Call In Member), Councillor P T Waker, Councillor Mrs M M West and Councillor J R White

**Also Invited:** Councillor T Justice (Call In Member); Councillor M E McKenzie (representing the Executive)

**Education Co-opted Members:** Church Representatives: Reverend R Gayler (Church of England) and Mrs G Spencer (Roman Catholic Church); Parent Governor Representatives: Mrs L Rice (Primary) and Mrs T Woodhouse (Secondary)

Date of publication: 30 January 2009

R. A. Whiteman  
Chief Executive

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#### AGENDA

1. **Apologies for Absence**
2. **Declaration of Members' Interests**

In accordance with the Council's Constitution, Members are asked to declare any personal or prejudicial interest they may have in any matter which is to be considered at this meeting.
3. **The Call In Process (Pages 1 - 2)**
4. **Call In - Provision of Wheelie Bins for Household Waste - Pilot Outcomes and Borough Roll-out (Pages 3 - 17)**
5. **Any other public items which the Chair decides are urgent**
6. **To consider whether it would be appropriate to pass a resolution to exclude the public and press from the remainder of the meeting due to the nature of the business to be transacted.**

## **Private Business**

The public and press have a legal right to attend Council meetings such as the Scrutiny Management Board, except where business is confidential or certain other sensitive information is to be discussed. The list below shows why items are in the private part of the agenda, with reference to the relevant legislation (the relevant paragraph of Part 1 of Schedule 12A of the Local Government Act 1972 as amended). ***There are no such items at the time of preparing this agenda.***

- 7. Any other confidential or exempt items which the Chair decides are urgent**

## THE CALL-IN PROCESS

### 1. Purpose

- 1.1 Call-In is the process by which decisions of the Executive can be challenged before implementation by non-Executive Members and referred to the Scrutiny Management Board for further consideration. The statutory co-opted members of the Scrutiny Management Board are also entitled to Call-In Executive decisions in respect of education related matters.
- 1.2 Call-In also applies to decisions of the Community Housing Partnerships (CHP) which can be challenged before implementation by all Members except those Members with voting rights on the respective CHP.
- 1.3 Urgent actions taken under paragraph 17 of Article 1 of the Constitution are subject to Call-In. However, only the principles for taking the action can be challenged; the action itself cannot be overturned.

### 2. Definition of an Executive Decision

- 2.1 An “Executive decision” is a decision that the Executive has the powers to exercise in accordance with the Council’s Scheme of Delegation. Matters that are reserved to the Assembly but which are referred to the Executive for a preliminary view or recommendation are exempt from the Call-In process.

### 3. Call-In Procedure

#### 3.1 Executive

- 3.1.1 Minutes of meetings of the Executive will be circulated to all Members of the Council and, when relevant, statutory co-opted Members, within three working days of the meeting (e.g. for an Executive meeting on a Tuesday, the minutes will be circulated not later than the Friday of the same week).
- 3.1.2 Any two (or more) Members of the Council (excluding Executive Members), or statutory co-opted Members where the matter relates to education, individually or collectively, may Call-in an Executive decision by submitting a written notification to the Chief Executive by 12.00 noon on the Wednesday following the circulation of the minutes. Where days are lost due to Bank Holidays the Call-In deadline will be extended accordingly. The Call-In notification must specify the reasons for the Call-In, explain whether all or part of the decision is being Called-In, and list all those members requesting the Call-In. The Call-In notification may be handed in at the Civic Centre or sent by email or fax.
- 3.1.3 Any Member, who has a prejudicial interest in a particular issue, should not instigate or take part in any Call-In process related to that issue.
- 3.1.4 If the Chief Executive receives, and accepts as reasonable, a Call-In notification within the specified timescale, the particular decision of the Executive shall not be acted on but shall be submitted to the next Scrutiny Management Board meeting, or one convened for the purpose of considering the Call-In, for determination.

- 3.1.5 At least one Member will be required to represent the Executive at the Scrutiny Management Board Call-In meeting to explain the reasons for the Executive's decision, and to answer any questions. Similarly the relevant Corporate Director, or his/her Head of Service representative, will attend to clarify any aspects associated with the issue in question.
- 3.1.6 Member(s) or statutory co-opted member(s) Calling-In the decision will also be invited to attend to present their case.
- 3.1.7 The Scrutiny Management Board may also invite any other persons to assist during the Call-In meeting.
- 3.1.8 The papers to be considered by the Scrutiny Management Board will be those considered by the Executive when the decision was made, the decision itself, the written details of the Call-In and any reports prepared in response to the written details of the Call-In.
- 3.1.9 All parties, any members of the public and the press, will leave the room whilst the Scrutiny Management Board formulates its decision with the exception of the Lead Officer for Scrutiny, the Democratic Services Officer, and any Statutory Officers, who are available to give independent advice as necessary and advise all meetings.
- 3.1.10 Having considered the matter raised by the Call-In, the Scrutiny Management Board will have three options available to it:
- (a) Dismiss the Call-In and let the Executive decision stand, or
  - (b) Refer the matter back to the Executive with proposals for an alternative course of action, or
  - (c) Refer the decision to the Assembly for wider debate. This latter option will only apply where there are issues of Council policy involved.
- 3.1.11 All parties will be invited back to hear the decision of the Scrutiny Management Board. The Chair will explain the reasons for the decision.
- 3.1.12 Any disagreements between the Executive and the Scrutiny Management Board will be referred to the Assembly.
- 3.1.13 In exceptional circumstances, and where delay would be prejudicial to the interests of the Council, it may be necessary to waive the Call-In procedure. In such cases the Chief Executive or the relevant Corporate Director, as appropriate, will take urgent action in accordance with Article 1 - Paragraph 17 to waive the Call-In procedure.

## SCRUTINY CALL-IN

**Names of Members:** Cllr J Denyer – Lead Member  
(minimum of 2) Cllr T Justice

**Date of Executive:** 20 January 2009

**Item for Call-in:**

Agenda Item 9 - Provision of Wheelie Bins for Household Waste – Pilot Outcomes and Borough Roll-Out

**Decision of Executive:**

Received a report from the Corporate Director of Customer Services outlining the results of the wheelie bin pilots that have taken place in five areas across the borough and proposals to roll-out the system across the Borough.

**Agreed**, in order to assist the Council to achieve its Community Priorities of “Making Barking and Dagenham Cleaner, Greener and Safer” and “Raising General Pride in the Borough”

- (i) to the adoption of the system throughout the Borough and
- (ii) that implementation of the borough-wide scheme is subject to capital and revenue resources being approved as part of the Councils 2009/10 budget process.

**Reasons for Call-in:**

- 1) The report refers to a previous Executive report on 4 March 2008 – in that report item 3.2 states, “The full analysis of the scheme will be collated and **presented to Members** at the end of the pilot.” – I do not believe this has been done.
- 2) Inadequate detail has been given as to how 267 residential properties have been given alternative collection arrangements and the ongoing costs associated with this service.
- 3) The comment that “a small increase in staffing due to the additional collections needed” again is inadequate and has not been quantified or “costed” as far as I can see.
- 4) The report clearly identifies a need for three additional vehicles at a cost of £130,000 – I can see no costing for the necessity to adapt the existing fleet to be able to undertake wheelie bin collections, and
- 5) Inadequate detail given to the additional time by operatives taken to collect, transport, load, wait whilst emptying takes place, unloading and returning bin to property and the subsequent effect on productivity.

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## AN EXTRACT FROM THE MINUTES OF THE EXECUTIVE MEETING

### THE EXECUTIVE

Tuesday, 20 January 2009  
(5:00 - 5:43 pm)

**Present:** Councillor C J Fairbrass MBE (Chair), Councillor L A Smith (Deputy Chair), Councillor J L Alexander, Councillor G J Bramley, Councillor S Carroll, Councillor H J Collins, Councillor R C Little, Councillor M A McCarthy and Councillor Mrs V Rush

**Apologies:** Councillor M E McKenzie

#### **116. Provision of Wheelie Bins for Household Waste - Pilot Outcomes and Borough Roll-Out**

Received a report from the Corporate Director of Customer Services outlining the results of the wheelie bin pilots that have taken place in five areas across the borough and proposals to roll-out the system across the Borough.

**Agreed**, in order to assist the Council to achieve its Community Priorities of “Making Barking and Dagenham Cleaner, Greener and Safer” and “Raising General Pride in the Borough”

- (i) to the adoption of the system throughout the Borough and
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## THE EXECUTIVE

20 JANUARY 2009

### REPORT OF THE CORPORATE DIRECTOR OF CUSTOMER SERVICES

<b>Title:</b> Provision of Wheelie Bins for Household Waste – Pilot Outcomes and Borough Roll-Out	<b>For Decision</b>
<p><b>Summary:</b></p> <p>In March 2006, Members adopted the Barking and Dagenham Waste Strategy which sets out three simple objectives to:</p> <ol style="list-style-type: none"><li>1. Have the cleanest streets in London;</li><li>2. Achieve the greatest waste reduction, and highest recycling and composting rates in London; and</li><li>3. Deliver effective, efficient and customer-focused services that demonstrate value for money.</li></ol> <p>The strategy required a reassessment of the refuse collection method with three key considerations:</p> <ol style="list-style-type: none"><li>(a) Reducing the volume of waste collected;</li><li>(b) Increasing recycling and composting; and</li><li>(c) Keeping rubbish off the street and giving customers an excellent service.</li></ol> <p>The East London Waste Authority has also considered the actions that will be needed in order to achieve the expected national targets for recycling, diversion from landfill and residual waste minimisation. ELWA has agreed that the four constituent boroughs must consider introducing waste minimisation measures, that could include constraints on the amount of residual waste collected. Additionally they have asked the Boroughs to cease the co-mingled collection of dry recyclables and residual waste from the doorstep by 2014, to be replaced with the separate collections of recyclates and a system of quality control to reduce contamination of the recyclable material collected. The roll out of the new system borough-wide would achieve these objectives for Barking and Dagenham.</p> <p>At the meeting on 4 March 2008 (Minute 130), the Executive agreed to pilot for six months a new way of collecting household waste. This report presents the outcomes of these ‘wheelie bin’ pilots that have taken place in five areas across the borough.</p> <p>The pilots have been designed to test the effectiveness of a new way of collecting our residents’ waste, this being:</p> <ul style="list-style-type: none"><li>• A weekly collection of residual waste from a 140 litre Wheelie bin</li><li>• A weekly collection of mixed dry recyclables in Orange bags, placed beside the bin</li><li>• A fortnightly collection of green garden waste from a 140 litre Wheelie bin</li><li>• A fortnightly collection of mixed glass bottles from a 40 litre Plastic box.</li></ul> <p>The outcomes of the wheelie bin pilot scheme are as follows:</p>	

1. The amount of residual waste collected has reduced by 15%.
2. Orange bag recycling and composting has more than doubled in the pilot areas.
3. Street cleanliness has improved to 94% of streets graded as good or excellent.
4. 91% of residents surveyed stated they are in favour of wheelie bins.

**Table 1**

Ward	% in favour ( May survey)	% in favour (End of pilot survey)
Longbridge	54	80
Mayesbrook & Alibon	69	96
River	69	95
Chadwell Heath	73	92
Eastbrook	61	93

A firm base line of resident opinion has been established through detailed consultation, and the indications are that the pilot has achieved the improvements in waste reduction, increased recycling and composting and clean streets we had expected.

If Members choose to roll out wheelie bins to all households in the borough the distribution of wheelie bins would occur in five phases to follow the days of the week. This process would begin in May with the final phase complete in September 2009.

**Wards Affected:** All

**Recommendation(s)**

The Executive is recommended to:

- (i) Consider the outcomes of the wheelie bin pilots and agree to the adoption of the system throughout the borough.
- (ii) That implementation of the borough-wide scheme is subject to capital and revenue resources being approved as part of the Councils 2009/10 budget process.

**Reason(s)**

To assist the Council in achieving its Community Priorities of 'Making Barking and Dagenham Cleaner, Greener and Safer' and 'Raising General Pride in the Borough'.

**Implications:**

**Financial:**

Rolling out the system borough-wide will require additional capital investment of £2,110,000 with an additional on-going net revenue investment of £375,000 due to borrowing costs, increased vehicle and staff costs offset by savings in the non-supply of black bags and efficiencies within the service.

The capital programme currently has no provision for this scheme. The additional sum of £2.11m is subject to consideration and approval by Members as part of the capital programme review for 2009/10.

There is currently no provision for the additional net revenue costs of the scheme of £375,000 and this sum is again subject to consideration and approval by Members as part of the 2009/10 budget process.

The scheme includes the separate sorting of orange bags and residual waste at the kerbside. This has additional revenue implications. Currently Shanks East London will incur expenditure to carry out this function and they have indicated they will pass on any savings they accrue. ELWA has requested Shanks to give a firm indication of this amount.

Overall the scheme has achieved the expected reduction in waste collected. This will result in a reduction in the amount of money we will be charged for waste disposal and the table in section 3 of the report expresses the estimated waste disposal cost of continuing with the current bag based system and compares that to the expected cost by using the proposed wheelie bin system borough-wide.

**Legal:**

Under the Environmental Protection Act (1990) the Council may denote the method residents must use to present their waste for collection.

**Comments of the Legal Partner**

Should Members be minded to approve the recommendation in this report, officers will seek further Members' approval of the method of procuring the wheelie bins to be used by residents.

**Risk Management:**

The scheme has required the management of a significant change in community behaviour to achieve the full benefit of the scheme. An extensive and detailed communication and awareness raising programme accompanied by a firm but fair enforcement approach has significantly mitigated the risk of residents not understanding or wanting to participate in the scheme or deciding to illegally dispose of their waste.

**Social Inclusion and Diversity:**

The initial equalities impact assessment highlighted the following issues:-

Wheelie bins potentially present problems for our residents with mobility issues. The publicity surrounding the scheme highlighted the Council's assisted collection scheme that adapts the collection to meet the needs of the residents. 160 assisted collections have been granted to date and have helped to alleviate some of the concerns elderly and disabled residents expressed before the scheme was implemented.

In order to cater to the needs of larger families who are more likely to put out larger quantities of waste, extra bin capacity has been offered to these families on request. To date, 298 families have been given an extra or larger bin for non-recyclable waste.

In some areas of the borough, wheelie bins are not suitable as residents do not have the room to store the bins effectively. Waste Education Officers carried out reassessments of most properties (when appropriate) where residents stated they do not have space for wheelie bins and/or they have access issues. 107 properties were exempted from the scheme on the grounds of the factors mentioned.

**Crime and Disorder:**

The neat storage of refuse awaiting collection would improve environmental aspects, and so increase perception of an environmentally safe area. There is direct correlation between safety and good environmental management.

**Options Appraisal:**

This is described in detail in the Waste Strategy agreed by Members during March 2006

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## 1. Introduction

1.1. By Minute 130 (4 March 2008), the Executive agreed to pilot a new way of collecting household waste. This report presents the six month findings of residents' consultation and the operations of these 'wheelie bin' pilots, taking place in 5 areas across the borough.

1.2. The five areas are:

Monday	Leftley Estate Barking	1892 homes
Tuesday	Waterbeach Road Area (Mayesbrook and Alibon Wards)	1913 homes
Wednesday	Marks Gate Estate	1274 homes
Thursday	Rush Green	1752 homes
Friday	Rylands Estate	1675 homes

1.3. The pilots have been designed to test the effectiveness of a new way of collecting our residents waste, this being:

- A weekly collection of residual waste from a 140 litre Wheelie bin
- A weekly collection of mixed dry recyclables in Orange bags, placed beside the bin
- A fortnightly collection of green garden waste from a 140 litre Wheelie bin
- A fortnightly collection of mixed glass from a 40 litre Plastic box.

1.4. In order to test the effect of this new way of working we set the following outcome indicators.

- Reducing the volume of waste collected;
- Increasing recycling and composting; and
- Keeping rubbish off the street and giving customers an excellent service.

## 2. Results From The Pilot Scheme

The success of the pilot scheme should be determined by considering the following performance indicators:

### 2.1. Outcome Indicator 1 - Reducing the volume of waste collected

2.1.1. The pilot has assessed the amount of waste produced by our residents within the pilot areas before and after the introduction of wheelie bins. Table 1 below describes the results from the five areas for the average combined tonnages of co-collected waste (orange and black bag) collected each month. 'Pre' and 'post' refer

to before and after wheelie bin collections began. The average waste reduction is 15%.

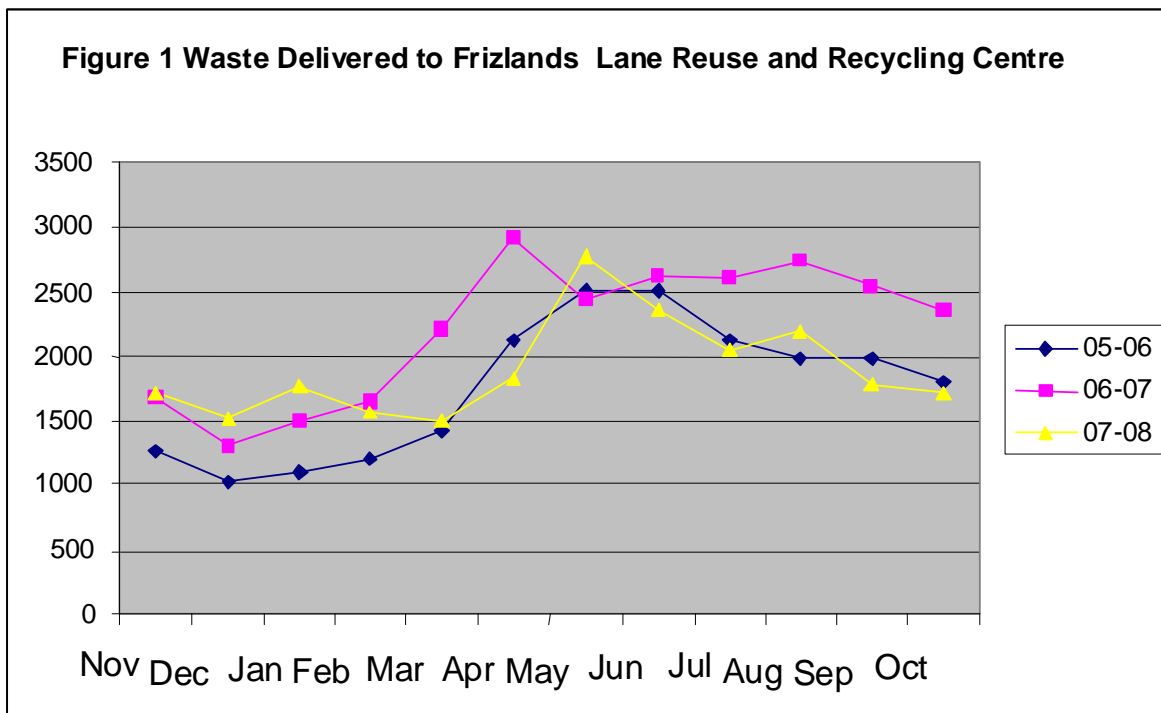
2.1.2. If table 1 is studied it is also evident that the reduction in waste has been sustained over the pilot period. This provides reassurance that this system has produced a sustainable reduction in waste, which is very likely to be replicated elsewhere in the borough.

2.1.3. An independent review of these findings by the Waste and Recycling Action Programme (WRAP) concluded “the pilot scheme has reduced the waste arising from each property by 19% which exceeds the figure of 15% predicted in the Director’s report of 4 March 2008 based on the study sample which was taken between October 7<sup>th</sup> – November 7<sup>th</sup>.”

**Table 1 Domestic Waste Collected from properties in Pilot Areas.**

	BASELINE	WHEELIE BIN TRIAL PERIOD					% Decrease
		July	August	September	October	November	
Combined Weight in kg	143,347	121,755	120,798	122,369	122,597	121,967	15%

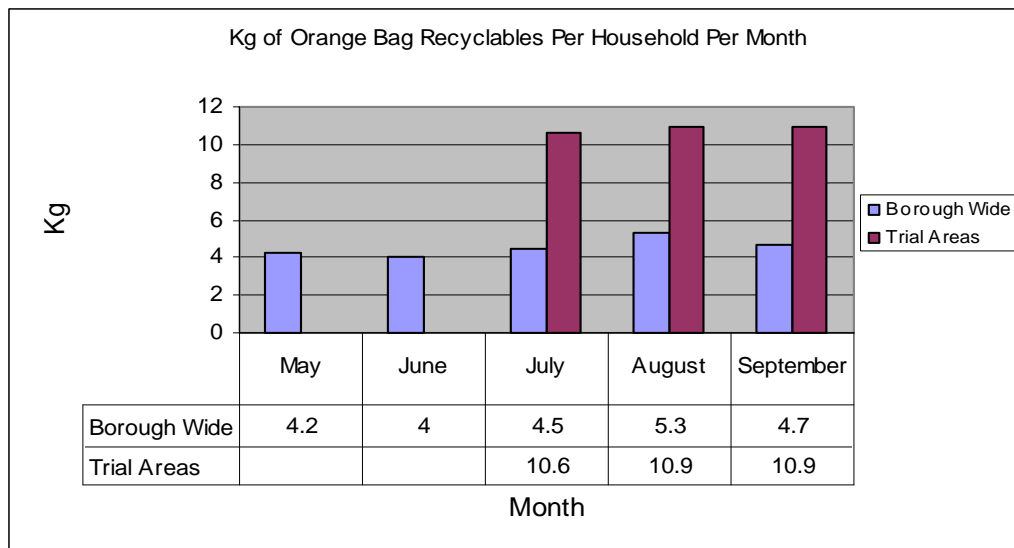
2.1.4. Our risk assessment suggested that there was a high possibility that residual waste uncollected in the pilot areas would be taken to the civic amenity sites by residents and therefore negatively impact on the amount of waste reduced. However, Figure 1 shows that the amount of waste taken to civic amenity sites since the pilot scheme began has not increased.



## 2.2. Outcome Indicator 2 - Increasing Recycling and Composting Rates

2.2.1. Figure 2 below illustrates orange bag recycling performance borough wide and performance within the trial areas. This figure illustrates that the recycling rate has more than doubled in the trial areas. (Figures include 40% contamination losses).

**Figure 2**



2.2.2. In order to monitor any improvements in resident orange bag participation rates, ELWA commissioned Waste Watch to carry out pre and post wheelie bin collection participation monitoring. Table 2 below shows that on average participation in the orange bag recycling service increased by 5.2%. In the post wheelie bin collection participation monitoring, 90.8% of residents were found to be participating.

**Table 2**

Round	Area	%	Sample size	Type of measure	% Difference to Pre-Monitoring
Monday	Leftley Estate	92.8	938	orange bags	+5.0%
Tuesday	Mayesbrook	89.6	967	orange bags	+6.7%
Wednesday	Chadwell Heath	90.0	674	orange bags	+5.9%
Thursday	Rush Green	93.2	896	orange bags	+4.6%
Friday	River	86.3	621	orange bags	+2.6%

2.2.3. Table 3 shows what the recycling and composting performance (NI 192) would be if the trial area model was applied borough wide. The projected performance data was applied using the ELWA spreadsheet modelling in working out ELWA boroughs recycling figures.

## Projected Recycling Performance:

**Table 3**

<b>Month</b>	<b>Recycling and Composting Rate outside pilot areas (NI192)</b>	<b>Recycling and composting Rate in pilot areas (NI192)</b>	<b>Improvement</b>
July 2008	24.25%	30.96%	6.71%
August 2008	22.62%	28.83%	6.21%
September 2008	25.11%	31.42%	6.31%
October 2008	21.33%	30.98%	9.65%
November 2008	Awaiting Data from ELWA		
Average	23.33%	30.55%	7.22%

### **2.3. Outcome Indicator 3 – Keeping rubbish off the Streets**

#### **2.3.1. Improvements in Street Cleanliness**

2.3.2. On-street litter surveys are showing a significant improvement in street cleansing. Prior to implementation an average of 75.8% of streets had either good or excellent cleanliness. Surveys in August and November have all shown that within the pilot areas this has improved to 94% of streets being graded as good or excellent cleanliness.

### **2.4. Outcome indicator 4 - Giving Customers an Excellent Service.**

#### **2.4.1. Consultation Results**

2.4.2. Excellent customer service is the underlying driver of the scheme. For recycling and composting schemes to work, customers must understand the scheme and be motivated to use it. The pilot has established a firm baseline of residents' views before the scheme was implemented and then again towards the end of the pilot to gauge residents feelings having used the bins for around five months.

#### **2.4.3. Baseline Doorstep Consultation Results (Waste Watch):**

- In April 2008 (7<sup>th</sup> – 19<sup>th</sup>), 1,612 residents in Rush Green (Eastbrook) and on the Leftley Estate (Longbridge) were interviewed at the doorstep. 928 of these residents (57.9%) stated they were in favour of the wheeled bin scheme (54% of residents on the Leftley Estate and 61% in Rush Green).
- In June 2008 (2<sup>nd</sup> – 21<sup>st</sup>) a further 1,951 residents were contacted on the Rylands Estate and Waterbeach Road. 1,344 (68.9%) stated they are in favour of wheelie bins.
- In July 2008 (7<sup>th</sup> – 22<sup>nd</sup>), a further 1215 residents contacted in Marks Gate. 72.9% stated they were in favour of the wheeled bin scheme.

#### **2.4.4. Post Wheelie Bin Collection Consultation Results:**

Doorstep Consultation Phase 4 (Hyder Consulting):

- Between October 14<sup>th</sup> and November 22<sup>nd</sup> 2008, 4,954 residents were interviewed throughout the pilot areas which amounted to a total contact rate of 58%.

Table 4 shows the survey results split into pilot areas.

**Table 4**

	All areas		Longbridge		Mayesbrook and Albion		River		Chadwell Heath		Eastbrook	
	%		%		%		%		%		%	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
1. Are you in favour of the wheeled bin scheme?	91	9	80	20	96	4	95	5	92	8	93	7
2. Do you feel you have had enough support from the council to adjust to the wheeled bin scheme?	90	10	82	18	95	5	92	8	88	12	92	8
3. Would you like to talk to a waste education officer about the problems you feel are yet to be addressed?	8	92	12	88	1	99	6	94	4	96	4	96
4. Do you think the wheeled bin scheme could be improved?	33	67	39	61	29	71	33	67	36	64	30	70
5. Do you think the introduction of the wheeled bin has helped you to recycle more?	64	36	59	41	70	30	68	32	64	36	59	41
6. Do you think the wheeled bin scheme has helped to make the streets cleaner?	83	17	73	27	89	11	87	13	82	18	83	17

2.4.5. The percentage of residents in favour of the wheeled bin scheme increased in all pilot areas in the post wheelie bin collection surveys.

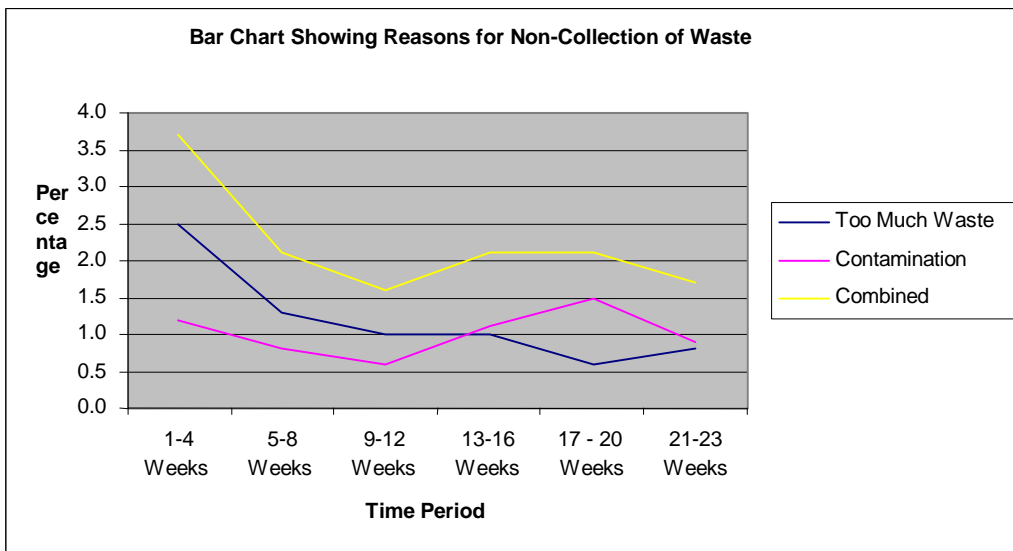
## 2.5. Can Residents Understand and Use the New System?

2.5.1. Residents in the pilot areas have been asked to recycle and compost their waste quite differently from before. Also because of the limit set on the amount of waste that can be disposed and the smaller size of the majority of bins, we are monitoring closely how many residents are not recycling in the way we would like or presenting extra bags of waste. Normally in a situation like this we would expect around a third of residents to be unsure about what to do with their waste, but this figure is below 2%. This shows the remarkable good will we have with our residents and the will they have to do the right thing and recycle. Figure 3 illustrates the excellent performance we have seen from our residents. The graph shows that cases of contamination are now more frequent than cases of 'too much waste' although they remain at a manageable level.

2.5.2. Some detailed operational issues remain that will further enhance the new system that officers will discuss fully with the Lead Member before final implementation.



**Figure 3**



### 3. Financial Implications

- 3.1 Rolling out the system borough-wide will require additional capital investment of £2,110,000 with associated borrowing costs and an additional annual net revenue investment of £375,000.
- 3.2 This estimate of the fleet and staffing implications of the new system have been assessed with independent support from the Government's Waste and Recycling Action Programme(WRAP). The methodology used follows industry best practice and uses detailed activity based costing analysis to identify the most efficient and effective method of working.
- 3.3 The scheme includes the separate sorting of orange bags and residual waste at the kerbside. This has additional revenue implications. Currently Shanks East London will incur expenditure to carry out this function and they have indicated they will pass on any savings when they accrue. ELWA has requested Shanks to give a firm indication of this amount.
- 3.4 Capital Costs

Description	No of Properties	Quantity	Price per unit (£)	Total amount (£)
Wheelie waste bin	50,000	50,000	18.90	945,000
Green waste bins	41,000	41,000	18.90	774,900
Purchase of vehicles		3	130,000	390,000
<b>Total</b>				<b>2,109,900</b>

### 3.5 Revenue Costs

<b>ROLL OUT BOROUGH WIDE</b>	<b>2009/10 £</b>
Borrowing costs	185,000
Additional staff costs	320,000
Maintenance of additional vehicles and replacement bins	50,000
<b>Gross revenue cost</b>	<b>555,000</b>
Less Savings	
Non-supply of black bags	(120,000)
General efficiencies in Environmental and Enforcement service	(60,000)
Total savings	(180,000)
<b>Net additional annual revenue costs</b>	<b>375,000</b>

- 3.6 Rolling out the system borough-wide will require additional capital investment of £2,110,000 with an additional on-going net revenue investment of £375,000 due to borrowing costs, increased vehicle and staff costs offset by savings in the non-supply of black bags and efficiencies within the service.
- 3.7 The capital programme currently has no provision for this scheme. The additional sum of £2.11m is subject to consideration and approval by Members as part of the capital programme review for 2009/10.
- 3.8 There is currently no provision for the additional net revenue costs of the scheme of £375,000 and this sum is again subject to consideration and approval by Members as part of the 2009/10 budget process.
- 3.9 Overall the scheme has achieved the expected reduction in waste collected. This will result in a reduction in the amount of money we will be charged for waste disposal. The table below expresses the estimated waste disposal cost of continuing with the current bag based system and compares that to the expected cost by using the proposed wheelie bin system borough-wide. The rate per tonne of waste disposal is due to increase by between 7% and 10% per year due to increases in operational costs and the increasing impact of landfill tax. Note that there is a one-year lag in the calculation of the levy, so any waste reduction in 2009/10 will not have effect until 2010/11.

	2008/09 Baseline Year	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Current Bag system/£ (assumed 1% growth in waste per annum)	6,704,000	7,173,280	7,732,322	8,554,763	9,480,373	10,506,329	11,643,530
Proposed system/£	6,704,000	7,173,280	7,111,987	7,820,397	8,613,562	9,487,278	10,449,737
Net saving /£	0	0	620,335	734,365	866,811	1,019,051	1,193,792

Levy increase per annum estimated from 2008 ELWA budget strategy  
Saving is based on opportunity cost per ton which is approximately 2/3rds full levy cost per ton  
Saving based on estimated reduction of 8250 tons per year

- 3.10 Finally, there will be a saving of around £250k p.a. to each ELWA borough once co-collection of waste has ceased. It is possible that ELWA will provide funding to help boroughs move to this position as soon as possible. This payment would have the effect of increasing the net saving by £250k per annum in the table above. A decision on this is expected before March 2009.

#### **4 Staffing implications**

- 4.1 There will be a small increase in staffing due to the additional collections needed for the new system to implement green waste collections borough wide and collect residual waste and orange bags separately.

#### **5. Consultation**

- 5.1 The following were consulted in the preparation of this report:

##### **Councillors**

Councillor Milton McKenzie, Executive Member for Street Scene and Sustainability

##### **Officers**

Joe Chesterton, Divisional Director Corporate Finance  
Tony McNamara, Interim group Manager Customer Services Finance  
Environmental and Enforcement Management Team  
Yinka Owa, Legal Partner  
David Robins, Group Manager, Procurement and Efficiency

##### **Partners**

Tony Jarvis, Executive Director, East London Waste Authority

<b>Background Papers</b>
LBBB Municipal Waste Strategy 2006
Waste Strategy for England 2007 – Executive Summary
WRAP Work Study Report
Waste Watch LBBB Doorstepping Report Phase 1
Waste Watch LBBB Doorstepping Report Phase 2
Waste Watch LBBB Doorstepping Report Phase 3
Hyder Consulting – LB Barking and Dagenham Attitudinal Survey Report
ELWA – Waste Management Report – 29 September 2008
Waste Watch Participation Monitoring Pre Pilot Report
Waste Watch Participation Monitoring Post Pilot Report

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