

CABINET

17 January 2017

Title: Outcome of Green Garden Waste Consultation	
Report of the Cabinet Member for Environment and Street Scene	
Open	For Decision
Wards Affected: All	Key Decision: Yes
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Accountable Director: Claire Symonds, Chief Operating Officer	
Summary	
<p>In October 2014, the Council agreed a series of savings proposals to ensure that it could meet its financial targets. One of these was to save £220,000 against the provision of a green garden waste (GGW) service, a non-statutory service. that had only been provided for the past few years. Due to that decision, the option to continue a free collection service at that time was not one that could be pursued.</p>	
<p>In line with the customary annual arrangements, GGW collections ceased on 30 September 2016. A consultation process was then initiated to determine if there was a demand within the borough to introduce a self-funding paid-for collection service (as is common in other London boroughs). A total of 7,690 responses were received through the postal card and the online consultation portal, with 3,835 (49.87%) residents indicating that they would be willing to pay for a green garden waste collection service and 3,855 (50.13%) residents not willing to pay.</p>	
<p>As almost 4,000 residents showed an interest in a paid for service, an options appraisal was completed to establish the preferred model for a new paid-for GGW service. Arising from this exercise, it is proposed the Council introduce a fortnightly collection running from 1st April – 1st November. This service would cost each participating household £40 per annum (these costs are based on operating for a 2-year period). To make the service cost neutral, the Council would need to receive payment from the number of residents who said that they would be willing to pay for the service in advance for the 1st year of the service and receive a commitment to pay for the 2nd year. It should be noted that if this commitment is not received or the actual number of residents who sign up to the paid-for service fails to reach the threshold for the scheme to be self-financing, the service will not be launched.</p>	
<p>To raise awareness of this new paid-for service, a series of communications will be published. Additionally, communications will be developed to let those residents who do not choose to use the service know of possible alternatives, including what to do with their old bins and to promote composting.</p>	

Recommendation(s)

The Cabinet is recommended to:

- (i) Agree, subject to the new service being self-financing, the commencement of a new green garden waste collection service for subscribing households with effect from 1 April 2017 on the terms detailed in the report; and
- (ii) Delegate authority to the Chief Operating Officer, in consultation with the Cabinet Member for Environment and Street Scene, to make the final determination on whether the scheme would be self-financing.

Reason(s)

A recent public consultation identified a demand within the borough to launch a paid for Service (3,835 responses stating they would pay).

This Service will also contribute to the Council's corporate objectives of:

- Encouraging civic pride.
- Enabling social responsibility.

1. Introduction and Background

- 1.1 In October 2014, the Council agreed a series of savings proposals to ensure that it could meet its financial targets. One of which was to save £220,000 against the provision of a Green Garden Waste service. This is not a statutory service and indeed has only been provided for the last few years. Due to this decision, the option to continue a free collection service was not one then that could be continued.
- 1.2 A public consultation was launched to determine if there was a demand within the borough to introduce a self-funded paid for collection service (as is in place in other London boroughs).
- 1.3 A total of 7,690 responses were received through the postal card and the online consultation portal – with 3,835 (49.87%) residents indicating that they would be willing to pay for a green garden waste collection service and 3,855 (50.13%) residents not willing to pay.
- 1.4 As a significant number of residents showed an interest in a paid-for service, an options appraisal was complete to establish the preferred model for a paid for Green Garden Waste Service.

2 Proposal and Issues

- 2.1 Based on the number of residents who indicated that they would subscribe to a paid-for service (3,835), the options appraisal identified that a fortnightly collection running from the beginning of April to the beginning of November could be provided at a cost of £40 per annum based on a two-year commitment. The requirement for a two-year commitment is important as the financial viability projections have been

calculated on a two-year collection vehicle leasing arrangement. The cost of a one-year lease would, proportionately, be significantly higher and would mean that the proposed £40 annual charge would have to be set higher.

- 2.2 While there is some flexibility within the financial appraisal if the projected self-funding position of 3,835 subscribers is not reached by the time of the proposed launch, there is no financial provision for the service to be supported by the Council in the medium to long term. Therefore, if the service has not reached the projected self-financing position by the proposed launch date and the indications are that the gap could not be adequately bridged in the short-term, the service shall not proceed. With that in mind, it is proposed that the Chief Operating Officer, in consultation with the Cabinet Member, is authorised to make that judgement.
- 2.3 Assuming that the service does proceed, residents will be able to make payments on the Council's website and via telephone. The option to introduce an additional module to My Account to facilitate this functionality will be reviewed.
- 2.4 Subscribed customers will be provided with a permit (sticker) for their green bin, indicating payment has been accepted, and only green bins with this permit will be collected. It is proposed that a new permit is given to residents each year to show they have paid for that year's service. The proposed terms and conditions of the new Green Garden Waste Service are detailed in Appendix 2.
- 2.5 Green Garden Waste collection routes will be designed in the most efficient and cost-effective manner, based on resources and the addresses of subscribing customers. The collection routes will be reviewed fortnightly to ensure any new subscriptions are added to the collection route.
- 2.6 Residents who have not subscribed to the Green Garden Waste collection service may wish to keep their green bin to be used for composting. The Council will inform residents of ways they can do this through a range of communications, including articles/publications on the "Slim your Bin" webpage.
- 2.7 All residents who are not subscribing to the Green Garden Waste Collection, and who do not wish to keep their Green Bin, will be able to request for this to be collected by the Council.
- 2.8 Redundant green bins which are not wanted by residents will be collected by the Council and cleaned. These green bins will then be either sold or reallocated to subscribed Green Garden Waste customers who do not have a green bin. The Council will retain a specific level of stock to ensure there is a supply to meet demand.
- 2.9 Ahead of the launch of the new Green Garden Waste service, a series of communications will be published to inform residents of the new service. Similarly, communications will be developed to let those residents who don't want to use the service know of possible alternatives, including what to do with their old bins and to promote composting.
- 2.10 A high-level implementation plan is included as Appendix 1.

3 Options Appraisal

- 3.1 An options appraisal was completed to identify the recommended approach detailed within this report.
- 3.2 The free green garden waste collection service ended on 30 September 2016. Therefore, the option of not offering a paid-for service would represent the status quo.

4 Consultation

- 4.1 A large public consultation exercise was undertaken, with publicity focussed on encouraging residents to comment on the option for a paid for service.
- 4.2 This exercise opened on the Consultation Portal on 13 September 2016 and closed at midday on 31 October 2016. A freepost postcard with details of the consultation was delivered to each household within the borough (excluding blocks of flats). These were also made available at the borough's libraries. The results are detailed earlier in this report.
- 4.3 The detailed proposals have been endorsed by the Council's Corporate Strategy Group on 15 December 2016 and by relevant Cabinet Members.

5. Financial Implications

Implications completed by: Katherine Heffernan, Group Manager –Services Finance

- 5.1 The provision of the Green Garden Waste Collection service was due to end in September 2015 to deliver a £220,000 saving. However, the service continued to the end of September 2016, resulting in additional budget pressures.
- 5.2 The proposal is to restart the service in April for approximately eight months to households that subscribe to the service on a cost recovery basis. Financial modelling has been carried out to assess at a very high level whether this might be viable. If around 4,000 households are willing to pay £80 for two years, then this will provide sufficient income to cover the leasing and running costs of one vehicle and crew for fortnightly collections plus administration and other costs.
- 5.3 This indicates that this option could be viable. However, it is dependent on several assumptions and detailed planning and costing of the service will not be possible until more is known about which households will take up this service (as routes cannot be designed without this information.) The service involves both variable costs and stepped costs and so careful planning will be required to ensure that the service is cost neutral.
- 5.4 As the budget for the previous service has already been removed in previous budget setting rounds, the service can only resume if alternative funding can be found. A paid for service would generate this funding.
- 5.5 At this stage there has been no appraisal of the wider financial implications of the changes to the service. It is thought that some customers who do not take up the paid for option will compost their garden waste while others will either add to their

normal waste collection or take it to a disposal point themselves. There may therefore be further impacts on waste volumes and costs (which could be positive or negative) but these cannot be predicted now.

6. Legal Implications

Implications completed by: Dr Paul Feild, Senior Governance Lawyer

- 6.1 The Council is the waste collection authority for the borough with a duty to collect specified forms of waste. However, Section 45 of the Environmental Protection Act 1990 enables such authorities to make reasonable charges for the collection for specified waste defined by the Secretary of State. These forms of waste for which the Council may charge is defined in the Controlled Waste (England and Wales) Regulations 2012 at Schedule 1 article 4. This includes green garden waste. The Council is therefore able to bring in a green garden waste scheme and make charges for collection.
- 6.2 As with any service provided by the Council an equality needs impact assessment should be carried out to ensure that the final scheme that is introduced is compliant with the Equality Act 2010 public sector equalities duties.

7. Other Implications

- 7.1 **Staffing Issues** - As this will be a new service that runs part way through the year additional staff will be engaged on specific seasonal contracts.
- 7.2 **Corporate Policy and Customer Impact** - The proposed introduction of a paid for Green Garden Waste Service will provide an alternative way of disposing of green garden waste for the residents of the borough.

As the waste will be collected in wheelie bins this has the potential for presenting problems for our residents with mobility issues, however, the Council has been using wheelie bins since 2009 and has in place an assisted collection scheme that adapts the collection to meet the needs of the residents – this will also be the case for green waste collections.

A detailed publicity programme will be in place to provide information and guidance on the scheme in the lead up to the introduction date.

Public Background Papers Used in the Preparation of the Report: None

List of appendices:

Appendix 1 - Green Garden Waste - Draft High-level Implementation Plan

Appendix 2 – Proposed Terms and Conditions for the new Green Garden Waste Service