

**Report to:** Communities Scrutiny Committee

**Date of Meeting:** 29th January 2015

**Lead Member/Officer:** Lead Member for Public Realm/  
Waste & Fleet Manager

**Report Author:** Waste & Fleet Manager

**Title:** Introduction of Charges for Green Waste Collections

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**1. What is the report about?**

This report provides information on progress to date relating to the initial take up of the new chargeable green waste scheme, together with the associated service and budget implications.

**2. What is the reason for making this report?**

To provide information on the level of customer up take to date.  
To detail whether this is in line with expectations.  
To detail and review the 'signing up' process.  
To provide information on budget and staffing implications

**3. What are the Recommendations?**

That the Committee considers the report; comments on matters raised and identifies issues that require further consideration.

**4. Report details**

4.1 Green Waste Charging Scheme Approval

On 2<sup>nd</sup> September 2014 Members attended a budget setting review workshop where efficiency proposals for different services were debated.

The introduction of charging for green waste collections was put forward for discussion, and was agreed on the basis that;

i) It would deliver high levels of saving/income (a mixture of both). If uptake was poor, then there would be resource savings (i.e. less collection vehicles and collection staff required). If uptake was good then income levels would be high.

There is therefore a robustness to the scheme which ensures that savings are made whether residents do or they do not take up the service.

ii) Introducing the scheme would not mean major changes to collection day calendars (so upheaval/disruption is minimised) i.e. the message is easier to communicate.

iii) The consequence of not charging would be further redundancies. It would be morally difficult to make people redundant by providing a free service when a charge can be made for this service (~25% of English Councils currently charge for garden waste collections).

The rates for garden waste collections were set at £24 / year for a 140 litre wheelie bin (or 3 green dumpy sacks), or £36 / year for 2 x 140 litre wheelie bins (or 6 green dumpy sacks).

The initiative on green waste charging is fully in-line with what Welsh Government has asked councils to do in their "Collections Blueprint", i.e. *"Apply charging for green waste collection (as allowed under the Controlled Waste Regulations 1994), and collecting it only once a fortnight"*.

Following approval to launch the green waste charging scheme, a number of tasks were required to be undertaken in a short period of time:

- Preparation and distribution of information notices/collection day calendars
- Web page development (Link to payment form / FAQs etc.)
- On line payment form development
- Procurement of barcode stickers (and readers), dumpy sack tags

The 'go live' date (the date from which customer could sign up to the new service) was set as 1<sup>st</sup> December 2014.

Customers have been encouraged to use the online payment system wherever possible, however, payment can still be taken over the phone via the customer call centre and via One Stop Shops and libraries (where in effect the staff there complete the online payment form for the customer).

As of 7<sup>th</sup> January 2015, 3,639 customers have signed up for the service. Given that this is a full 3 months prior to the chargeable service actually commencing this is beyond expectations. The payment process has worked well with very few issues being reported.

Of the 3,639 customers who have signed up to date, the profile of payment methods has been as follows:

<b>Method Of Payment</b>	<b>Number of Customers</b>
On line form – Credit Card	703
On line form – debit car	1,317
Customer Contact Centre – credit card	222
Customer Contact Centre – debit card	924
One stop shops - card	52
One stop shops – cash	373
One stop shops - cheque	48
<b>Total</b>	<b>3,639</b>

The breakdown of payment methods shows that the most popular way of purchasing the green bin service is via the on line payment form (which in turn indicates that this is a straightforward process for the customer to use).

Further promotion of the service will occur from January through to March 2015, including posters on the refuse collection vehicles, use of County Voice, Press releases and information stickers placed on bins.

## 4.2 Budget and Staffing Implications

The precise level of saving will not be accurately quantifiable until the service has been rolled out and the number of residents paying for the service is known. Whilst efforts are being made to get residents to sign up to the new scheme as early as possible (e.g. early bird discount), it is still expected that a fairly high proportion of residents will leave it late before paying for the new service (i.e. we expect high volumes of residents registering in March 2015).

By the beginning of April 2015, the number of customers for the start of the new service will be known, so therefore the amount of revenue raised will be known. It is anticipated however that as the growing season gets going, more residents will continue to sign up to the service during April and May 2015. By July, a fairly steady state (in terms of number of customers) should have been achieved which will then make it possible to assess the resource levels (collection vehicles and collection staff) required to provide the new service.

As described above, the level of savings achievable for this new service will depend on firstly, the amount of income brought in, and secondly by the resource savings possible (i.e. reduction in collection vehicles and reduction in collection staff numbers). The balance between the two will not be known until the resource levels are able to be assessed in July 2015 (although by then the level of income from the new service will be clear).

Of the approximate 40,000 properties that currently receive the green waste collection service it is anticipated (based on assessment of similar schemes brought in by other councils with a similar demography to Denbighshire), that between 10 -15,000 properties will sign up for the new service.

For illustrative purposes, the table below shows the savings impact of different 'opt in' levels.

	<b>Chargeable Garden Waste Collection</b>				
System Option:	<b>EXISTING Garden Waste Collection Service (zero saving)</b>	<b>20,000 Properties Opt in</b>	<b>15,000 Properties Opt in</b>	<b>10,000 Properties Opt in</b>	<b>5,000 Properties Opt in</b>
Resource levels needed:	6 Vehicles 16 staff	4 Vehicles 12	4 Vehicles 10 Staff	4 Vehicles 10 Staff	2 Vehicles 6 Staff
Resource Saving	-	£128,000	£172,000	£172,000	£300,000
Income (£24 x number of properties)	-	£480,000	£360,000	£240,000	£120,000
Total	-	£608,000	£532,000	£412,000	£420,000

Based on uptake to date, the target budget saving of £400,000 is still considered deliverable.

## 5. How does the decision contribute to the Corporate Priorities?

**Assessment of impact on the Vision, Community Strategy, Equalities and Sustainability:**

The recommendation is consistent with the vision for Denbighshire 2025. In particular “Denbighshire will be an ideal place to live because”:

- “we will recycle most of our waste and conserve energy”.
- “we will respect and maintain our natural environment”.

## **6. What will it cost and how will it affect other services?**

Set up costs (information leaflets/barcode stickers/barcode scanners/tags/vehicle signs/administration support etc.) is estimated to come to £9,900. However, this is being funded from the Waste reserve budget so is not factored into the revenue account calculations.

## **7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision?**

Completed EqIA template is attached as an appendix

## **8. What consultations have been carried out?**

Members Budget Setting Workshop 2<sup>nd</sup> September 2014.

## **9. Chief Finance Officer Statement**

Early indications are that the introduction of the chargeable green waste service is on target to realise the projected savings of £400k.

## **10. What risks are there and is there anything we can do to reduce them?**

Introducing garden waste charging will impact on Denbighshire’s recycling rate (as less waste will be sent for composting). It is estimated that Denbighshire’s recycling rate would fall by approximately 4%- 6% which would mean that the Council would no longer have the highest recycling rate in Wales. The 2015/16 statutory recycling target of 58% would still be achievable, but subsequent recycling targets might prove more challenging. Failing to meet a recycling target can result in a fine being imposed by Welsh Government (WG) which equates to £100,000 for every percent the target is missed by. However, to date, WG has not implemented fines for those councils who have failed to meet the current targets (there were three councils who failed to meet the 52% target for 2012/13 – none of these Councils received fines).

## **11. Power to make the Decision**

Under Section 2 of the Local Government Act 2000, i.e. the promotion or improvement of the environment for the well-being of the area.

Article 6.3.3 of the Council’s Constitution outlines scrutiny’s role with respect of policy development and review, whilst Article 6.3.4(b) sets out scrutiny’s powers with respect to examining the Council’s performance in delivering its services and priorities.

### **Contact Officer:**

Waste and Fleet Manager

Tel: 01824 712107