

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 12 October 2020

Portfolio:	Streetscene
Subject:	Review of the Garden Waste Collection Service
Report of:	Head of Streetscene
Corporate Objectives:	Dynamic, Prudent and Progressive Council. Protect and Enhance the Environment.

Purpose:

This report sets out the results of a review into the garden waste collection service.

Executive summary:

The Council has provided a free garden waste collection service since 2005. This discretionary service costs approximately £336,000 a year to provide.

A recent decision taken by Hampshire County Council will mean that the Borough Council will no longer benefit from the recovery of costs for material recycling, from April 2021 onwards. This decision will place a financial burden on the Borough Council estimated at approximately £400,000 a year. To offset this additional cost, it will be necessary to introduce a charge for the garden waste collection service.

The proposals for the future are set out in the report and have the potential to ensure that the Garden Waste Service is self-funded. The proposals would also generate a significant new revenue stream for the Council which would help to offset the loss of material recycling income as well as contributing to the £4.3 million shortfall in the Council's medium-term financial plan.

Recommendations:

It is recommended that the Executive agrees that:

- (a) the introduction of a new chargeable garden waste scheme, commencing on 1st February 2022, be approved;
- (b) an annual subscription of £50 for a 140-litre and £60 for a 240- litre wheeled bin be approved;

- (c) a bin purchase charge of £32 for a 140-litre and £34 for 240-litre wheeled bin be approved;
- (d) a 50% early bird discount for a bin purchase be offered in year 1 of the scheme;
- (e) a budget of £296,400 for the procurement and delivery of wheeled bins, a marketing campaign and temporary administrative support be approved; and
- (f) the Council will work with Hampshire County Council to further promote home composting of garden and food waste

Reason:

The introduction of a chargeable garden waste service would help to offset the loss of income due to changes to the recovery of costs for material recycling and make a significant contribution to closing the £4.3 million gap in the Council's future finances.

Cost of proposals:

If approved, the creation of the chargeable garden waste scheme would require £250,400 for bin purchases and delivery in the first year. Additional set up costs of £46,000 would allow the provision of a communications campaign, software and temporary administrative costs.

APPENDICES:

Appendix A: Garden Waste Review

BACKGROUND PAPERS:

Garden Waste Collection Review – Equalities Impact Assessment

REFERENCE PAPERS:

Garden Waste Collection Review Report – Streetscene Scrutiny Panel – 24
September 2020

Streetscene Scrutiny Panel Minutes - 24 September 2020

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BOROUGH COUNCIL

Executive Briefing Paper

Date: 12 October 2020

Subject: Review of the Garden Waste Collection Service

Briefing by: Head of Streetscene

Portfolio: Streetscene

INTRODUCTION

1. This report sets out proposals for the introduction of a chargeable garden waste collection service.

BACKGROUND

2. Garden waste collection is a discretionary service and was introduced by the Council in 2005 as a free service to the local community. It is currently used by an estimated 40% of households and costs approximately £336,000 a year to provide.
3. Most Councils now charge for their garden waste collection service and this approach is in line with the Government's Resources and Waste Strategy, which is based on the principle that the producer of the waste material should pay for its disposal.
4. A recent decision by Hampshire County Council means that all District Councils in Hampshire will no longer benefit from the recovery of costs for material recycling, as this income will be retained by the County Council. This decision will create a financial burden for the Borough Council estimated at approximately £400,000 a year from April 2021 onwards.
5. It is therefore an opportune time to consider the introduction of a charge for the garden waste collection service to help offset this financial burden.
6. In order to understand whether charging for garden waste collections is viable, a full review has been undertaken. The results are set out in Appendix A.

SUMMARY OF RESULTS

7. The overall aim of the review is to ensure that garden waste collection service is financially sustainable for the future. There is also a balance to be achieved between "best value" for the customer and improved safety for the Council's workforce. The main results of the review are as follows: -

8. *There is limited scope for cost savings within the current service:* At £208,000, employee and agency costs are the greatest service expense. This is the minimum level needed to ensure that staffing levels meet the requirements of the Health and Safety Executive.
9. Fuel costs of £50,000 in 2019/20 are significant, as is vehicle maintenance, which costs £78,800. Older vehicles are used to maintain the life of the waste collection fleet and reduce costs. However, there is no scope to reduce the number of vehicles used without impacting on collections.
10. *Fareham is in the minority by not charging for garden waste:* Over 65% of Councils now charge for garden waste collections and more will do so as they look to tackle the increasing financial challenges they face. Within Hampshire, all but ourselves and Winchester City Council currently charge for the service. Winchester will be introducing a chargeable scheme in February 2021.
11. *Wheeled bins are preferred to sacks:* 10 of the 11 charging Hampshire Councils use 240 litre wheeled bins and do not provide sacks. They are generally preferred because they increase the amount a household can recycle whilst significantly reducing the manual handling requirements of operatives.
12. *A simple approach to payments is preferred:* 8 of the 11 Councils offer one price and a single payment for a 12-month subscription. This is most likely due to the technical and security complications as well as the additional debt recovery burden created when offering recurring payments.
13. *The subscription price varies considerably:* Sign up prices range from £73.32 plus £32.59 for a bin purchase in Hart, to £39 including the price of the bin, in Eastleigh.

PROPOSAL

14. Using the findings of the review outlined above, several options for a chargeable garden waste service were assessed in detail (see Appendix A). The preferred option in Table 1 below, offers the best balance between value and choice to the customer, safety of operatives and income to the Council.

Table 1: Proposed Chargeable Garden Waste Scheme	
140 litre wheeled bin	240 litre wheeled bin
£50 annual subscription	£60 annual subscription
One-off £32 bin purchase charge	One-off £34 bin purchase charge
First year early bird discount of 50% (£16) off bin purchase	First year early bird discount of 50% (£17) off bin purchase

15. Collections would continue to take place every two weeks. Customers would be able to join at any point during the year but would be required to renew their subscription in February prior to the new season.

16. Every household joining the scheme will be issued with a subscription sticker to be placed on the garden waste bin to indicate proof that the property has paid for the service. A new sticker will be issued in subsequent years following receipt of appropriate payment.
17. There will be no charge to replace a garden waste bin that is damaged or stolen if the householder has a valid subscription to the garden waste service and the circumstances are considered reasonable.
18. Multiple households would be allowed to share bins, lowering their individual costs. There are health and safety risks to operatives when unloading waste bags alongside waste bins into vehicles. This alongside the alternative options e.g. sharing a bin, composting or using the Household Waste Recycling Centre, means that the provision of plastic single use waste bags for garden waste collection will not continue.
19. For those not wanting to use the service, alternatives would be promoted e.g. the discounted composting bins offered by Hampshire County Council.
20. The free collection of Christmas Trees over two weeks after the Christmas period will continue.

FINANCIAL IMPLICATIONS

21. The proposals within this report include one-off costs of approximately £250,400 for bin purchases and delivery, as well as marketing and administration costs of £31,000 in the first year. Subscription management software would cost £15,000 a year.
22. Based on an achievable target of 13,000 customers, subscription income would be £728,000 in the first year with net surplus of £291,640 after costs.
23. The new revenue stream would be used to pay back the start-up costs and make the service self-funding. The revenue stream would also make a significant contribution to closing the £4.3 million gap in the Council's future finances.

EQUALITIES

24. An Equalities Impact Assessment regarding the proposals in this report has been completed. It did not identify any significant impacts on residents. Whilst the manual handling strain should be less than the current waste sacks, some older residents may have difficulty in moving the bins. Those that can't be able to register for an assisted lift. For those residents on a low income, there is the option to share a bin with another households, purchase a discounted compost bin from Hampshire County Council or use the local Household Waste Recycling Facility for free.

SCRUTINY PANEL COMMENTS

25. The draft Garden Waste Review report was presented to the 24 September Streetscene Scrutiny Panel. Members were supportive of the proposals, acknowledging the need to find additional revenue streams. The ability or different households on low income or with small gardens to share bins was also welcomed.

26. The Panel wanted any communications campaign for the new service to emphasise the reasons for the introduction of charging, as well as the fact that the current free service was being subsidised via Council Tax, with households without a garden subsidising those that did.
27. The promotion of composting as a low cost and environmental beneficial alternative was felt by the panel to be important. In response to this, an additional recommendation (e) has been added to this report, which commits us to working closely with the County Council to help promote their successful home composting scheme.

NEXT STEPS

28. If approved, work on procuring the subscription management software and bins would start immediately. It is anticipated that early bird subscriptions would start at the end of 2021. The current garden waste service would terminate at the end December 2021, with the new service up and running in February 2022.

CONCLUSION

29. This report sets out the results of a detailed review of the Council's Garden Waste Collection Service and has put forward a proposal for the introduction of a chargeable collection scheme. This would have the potential to ensure that the service is self-funded as well as contributing to the £4.3m shortfall in the Council's medium-term financial plan.

Enquiries:

For further information on this report please contact Mark Bowler (Ext 4420).