

GARDEN WASTE SUBSCRIPTION CHARGE BRIEFING PAPER

Environmental Operations



1. EXECUTIVE SUMMARY

This paper accompanies the proposed decision and business case which collectively set out the case for the introduction of an annual subscription charge for the collection of household garden waste. This is a non-statutory service and the introduction of this charge would bring Plymouth in line with the majority of English Local Authorities who already have charges in place. The decision will deliver against a range of drivers including helping mitigate the Council's unprecedented budget pressures, improve service reliability and enable increased activity to help residents improve home recycling. It is also a fairer approach for those residents who do not currently receive this non statutory service as the decision will enable Council budgets to be prioritised for the provision of other essential and statutory services.

2. BACKGROUND & SERVICE OVERVIEW

Funding available to local government has been reducing steadily in recent years despite rising demand for services. As a council we have undergone huge change in order to maintain good local services with fewer resources. We've had to deliver ongoing savings in order to set a balanced budget each year. Before setting this year's budget we had already saved more than £25 million over the three previous years.

A key part of managing this change has been our ongoing modernisation programme that has sought to continuously drive greater efficiency in everything we do and maintain good quality services with fewer resources. Like all authorities we are now in a serious and unprecedented position due to additional national factors largely beyond our control, including rapidly rising energy costs and demand pressures and costs in social care.

Plymouth currently offers a fortnightly household garden waste collection service to residents across the City. Garden waste includes grass cuttings or soft foliage from pruning (branches up to 7 cm in width), weeding and vegetable growing. The service operates from April to November, it is operated with six collection crews which work Monday -Thursday. The crews consist of 20 frontline members of staff, supported by a team leader, the contact centre and back office staff.

The Council rolled out wheelie bins to residents in 2021 primarily to reduce the risk to our staff from manually lifting and emptying the garden waste bags used previously. Residents were offered the choice of 140 litre or 240 litre bins. This change was popular and resulted in a take up of approximately 50% of Citywide households opting into the service, there are 58,442 registrations currently. The tonnages collected contribute towards the Council's overall recycling figures and the collected materials are composted by a third party provider.

3. RECYCLING

The Council's 2021/22 Recycling rate was 36.7%. Table 1 show the rates for the last 3 years of Garden Waste collected at kerbside, Garden Waste brought to the Recycling Centres, overall recycling and then garden waste as a percentage of overall recycling. When the tonnages are assessed against the major service disruption in 2020 due to Covid19 and the popular roll out of bins in 2021 there is a clear link between the ease of household collections and tonnages at the Recycling Centres. Tonnages at the Recycling Centres increased as household collections were halted and they decreased when the wheelie bins were rolled out. It is therefore reasonable to assume that as subscriptions for the collection service reduce visits to the Recycling Centres will increase. A

proportion of residents who cease using the Garden Waste collection service will compost at home, which we can't record, and some will divert small volumes into the residual waste bin.

The business case associated with this decision builds in the provision of two Recycling Officer roles to work with residents to help them recycle more and correctly, this will help mitigate any impact on recycling rates and reduce the costly impact of dealing with contaminated recycling. A sum for ongoing targeted communication and engagement is also provided to further drive compliant recycling across the City. Additionally, provision has been made for the Council to offer a discounted home composter for residents to help them manage their garden waste material.

Table 1: Garden waste and recycling tonnages

| | Tonnes | | |
|---------------------------------------|---------|---------|---------|
| | 2019 | 2020 | 2021 |
| Garden Waste Kerbside Tonnage | 4429.13 | 1527.96 | 6806.62 |
| Garden Waste Recycling Centre Tonnage | 3314.26 | 3883.03 | 1947.89 |
| Overall Recycling % | 35.67% | 31.36% | 36.73% |
| Garden Waste % of Overall Recycling | 7.73% | 5.08% | 8.25% |

4. SERVICE DELIVERY

In 2022 the service delivery was impacted by high sickness levels in the waste department. This was a combination of general sickness but also spikes in Covid19 cases and particularly a number of refuse vehicle drivers having NHS treatments for outstanding conditions. Due to the non-statutory nature of Garden Waste collections the service was given lowest priority for crew allocations compared to residual waste and recycling collections. The situation was so dire in Summer 2022 that a temporary suspension of the garden waste service was put in place for 1 month.

A further challenge faced by the Service is the impact of heavy bins, long pull outs and steps on certain rounds. This is an issue which affects all waste collection services and where possible a 3rd crew member is allocated. A new garden waste model would provide the opportunity to bolster the number of collectors overall as part of resilience measures which would enable a 3rd crew member to be provided, where required, more consistently.

The Council are also facing unprecedented budget pressures both in year and forecast for future years. This pressure directly led to the decision to completely suspend the Garden Waste service for the remainder of the 2022 season from the end of August.

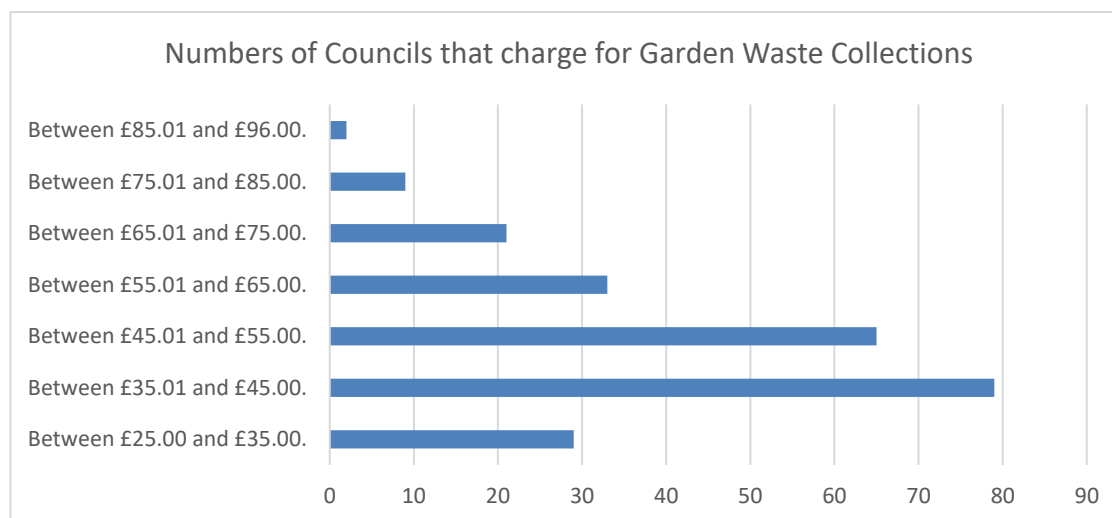
5. BENCHMARKING

Recent benchmarking undertaken by South Hams District Council assessed the majority of Local Authorities in England. Of the Local Authorities assessed 238 levied a charge for garden waste collections. The average charge is £49.86 per annum.

Graph 1 details the price bands of the English local authorities that were benchmarked. It should be noted that there is a very wide range of charging methods and individual scheme details. Some charge a variable rate depending upon bin size and number of, some issue sacks or bags, some provide a full

12 month service whereas others only seasonal, a few provide weekly collections whereas the majority provide fortnightly collections.

Graph 1: Numbers of Councils that charge for garden waste collections by price band



Cornwall Council and all Devon's district councils charge currently with the exception of South Hams who have recently announced they will implement a charge from 2023. Table 2 details the various charges and other scheme details.

Table 2: Charges levied by neighbouring Local Authorities

| Council | Collection frequency | Annual Charge ¹ |
|----------------------|----------------------|---------------------------------|
| Cornwall County | Fortnightly | £30 - £55 per bin |
| East Devon District | Fortnightly | £48 |
| Exeter City | Fortnightly | £39 - £51 |
| Mid Devon District | Fortnightly | £40 - £50 per bin |
| North Devon | Fortnightly | £45 per bin |
| South Hams District | Fortnightly | £49 per bin |
| Teignbridge District | Fortnightly | £50 per bin |
| Torbay | Fortnightly | £12 for 8 bags no annual charge |
| Torridge District | Fortnightly | £45 per bin |
| West Devon Borough | Fortnightly | £40 per 4 sacks |

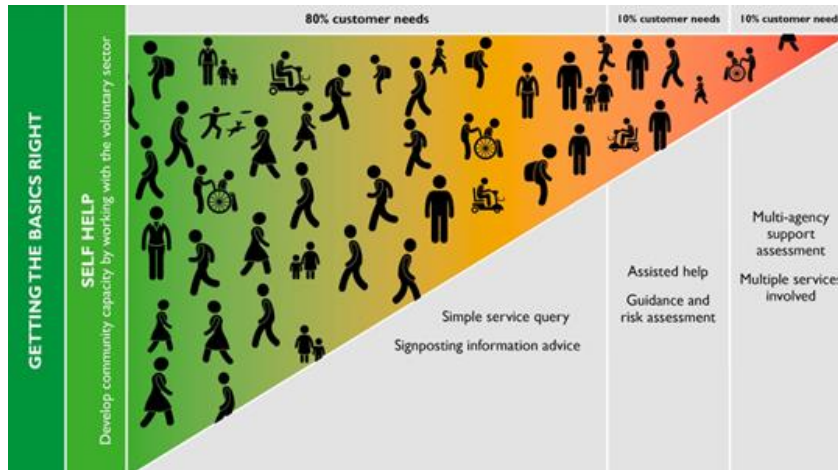
¹ A charge range indicates there is different charge depending on the size of bin or bag

6. TRANSFORMING THE COUNCIL

The Council's Transformation journey has evolved to focus on a range of drivers which will balance fiscal efficiency with ensuring the needs of our customers, residents and communities are met, and ultimately that our City vision is delivered. The Garden Waste service supports the programme through its digital registration process. At the heart of this programme sits 'the wedge' infographic, as shown, which sets out a vision for how the needs of our customers should be met. This involves for

the majority a greater push to digitisation, self-help, signposting and empowering communities to deliver services whilst ensuring a more niche focus on specialist and targeted support for the minority through the Council’s digital advocacy service. The project also aligns with the Council’s focus on automation through the One Council Programme. The registration process will automatically link with our back office system and allocate households to our scheduled rounds.

Image 1: Transformation infographic



DRIVERS FOR CHANGE

Table 3 sets out a summary of the drivers for change and the opportunities a subscription charge will deliver.

Table 3: Drivers for change, issues and opportunities

| Driver | Issue | Opportunity |
|-------------------------------|--|---|
| Financial | Service does not cover costs. One of most generous LA’s in relation to concession and charge. | Full cost recovery on a charged service. |
| Health and Safety | High risk of musculoskeletal injuries on some collections rounds – both Garden and residual | Utilise income through new model to ensure we can consistently provide enough crew members for the rounds which pose the greatest manual handling challenges. |
| Improve resilience of service | Service reliability has been a major issue in recent years as simply not enough crew resilience. | Utilise income through new model to bolster crew resilience across all waste collection services. |

| | | |
|------------------------------|---|---|
| Customer | Inequitable service with 50% participation, 50% of households did not register | Give residents the choice to pay for this discretionary service, rather than current model whereby everyone effectively pays for it through Council overall spend. |
| Targeted Recycling education | There is currently no specific resource to help drive behavioural change with residents to help improve recycling. This means natural resources are being wasted and also a high level of contamination of recycling collections, where incorrect items are placed in the bins. | Introduce dedicated resource to work with and provide information to households to help residents recycle more and correctly. This will increase recycling levels and reduce costs associated with recycling contamination. |

7. PROPOSAL

The business case linked to this decision sets out the relevant elements of the proposal.

The principles include:

- Subscription charge:
 - introduction of a subscription charge for the garden waste collection service of £49 per garden waste receptacle with an early bird reduction to £39 for those who sign up within the publicised offer period. The early bird period will be in place for approximately 8 weeks from the date the subscription launches.
 - A flat charge regardless of bin size.
 - Multiple subscriptions will be permitted for a household.
- Season length: The season will remain April to November each year.
- Household participation: forecast that this will be 23.5% of all City households following the introduction of the charge.
- Redundant bins: It is proposed that residents who already have a bin, but choose not to pay for the subscription service, will have the following options: they can retain the bin and repurpose; they can return the bin to Chelson Meadow recycling centre; or they can request a collection of the bin and pay a £10 charge.
- Seasonal bin stickers: A bin sticker for each season will be posted to each subscribed household. The bin will need to display this sticker in order to be collected.
- The charges for the subscription service will be subject to an inflationary increase each calendar year from 2024.
- The Council will work with an existing provider to offer residents the opportunity to purchase a home composter at a subsidised rate. This will help residents dispose of garden waste in a sustainable manner and will be open to any resident. A £10 discounted rate will be applied and to manage the financial risk to the Council's budget a fixed number, 4,000, discounts will be available in 2023. This will be reviewed for future years.

8. FINANCE

The table below is taken from the full business case.

The proposals, based on a 23.5% household participation rate, are modelled to produce a net cost of £0.360m in 2023-24, and £0.227m in 2024-25.

When these proposals are compared to the 2022-23 £0.890m net cost budget, then the proposals generate a net £0.530m saving to the current budget in 2023/24, and a £0.663m saving against current budget in 2024-25. If the participation rate is lower or higher then the figures will vary.

| | Budget 22/23 £ | 23/24 £ | 24/25* £ |
|--|-------------------|------------------|------------------|
| Service area revenue cost | | | |
| Staff: Crew | 444,320 | 723,638 | 759,820 |
| Staff: Business Support | 0 | 20,444 | 21,466 |
| Waste disposal costs | 218,310 | 185,724 | 195,010 |
| Vehicle costs incl fuel | 211,904 | 214,184 | 224,893 |
| Equipment | 3,500 | 36,612 | 4,500 |
| IT / Systems integration | 0 | 20,000 | 21,000 |
| Borrowing charges | 11,975 | 11,975 | 12,573 |
| Transaction fees | 0 | 18,000 | 18,900 |
| Bin collection allocation | 0 | 80,000 | 0 |
| Lease of land for bin storage | 0 | 20,000 | 21,000 |
| Postage and printing | 0 | 50,000 | 52,500 |
| Recycling communications & engagement | 0 | 25,000 | 25,000 |
| Home composting | 0 | 40,000 | 20,000 |
| Contingency 5% | 0 | 71,041 | 64,019 |
| Total Revenue Cost (A) | 890,000 | 1,516,618 | 1,440,681 |
| Service area revenue benefits/savings | | | |
| Total Revenue Income (B) | 0 | 1,156,200 | 1,214,010 |
| Service area net cost (B-A) | 890,000 | 360,418 | 226,671 |
| Variance to 22/23 budget | n/a | 529,582 | 663,329 |

*Inflationary increase of 5% assumed for 2024/25

9. RISK

The identified risks are summarised below:

- Government could legislate to ensure free garden waste collections. Whilst it's possible Additional Burdens funding may be provided to Local Authorities there is still the risk of a future budget shortfall
- Participation levels may be lower than anticipated which could result in a deficit against the 2023/24 budget
- Risk of inappropriate disposal of garden waste through placing in residual waste bins. The costs for a potential increase in tonnages have been factored into the business case.
- The decision is likely to increase complaints from residents who are unhappy with the charge. This will be mitigated by having a very clear communications strategy explaining the reasons for the changes and having adequate business support capacity available.
- Risk to achieving Council's overall recycling rate target. The combination of a number of measures will help reduce the risk of any negative impact on the Council's overall Recycling Rate. These measures include: the ability for residents to bring garden waste to the Recycling Centres; the addition of new Recycling Officer roles to increase recycling participation and reduce instances of recycling contamination; and wider general communications campaigns to inform and encourage residents to recycle more and recycle correctly.
- Risk of increased fly tipping. Whilst there is a risk of increased fly tipping it is a significant step for a resident who currently registers for a collection service to commit environmental crime through illegal disposal. Therefore, any increase is likely to be minimal.

10. RECOMMENDED DECISIONS

It is recommended that the Council's Cabinet:

- Approves the Business Case
- Approves the introduction of an annual subscription charge for the garden waste collection service of £49 per garden waste receptacle with an early bird reduction to £39 for those who sign up within the publicised offer period.
- Approves an inflationary increase to be applied to the charge for garden waste collection to take effect for each calendar year from 2024 onwards.
- Approves the introduction of a charge of £10 for residents who request that the Council collect Garden Waste containers that are no longer required, as opposed to retaining it or taking it themselves to Chelson Meadow Recycling Centre.