

Cabinet

2 April 2013

Report of the Cabinet Member for Environmental Services

WASTE SERVICES – SERVICE DELIVERY OPTIONS 2012/2013 & 2013/2014 FOLLOWING OUTCOME OF CONSULTATION

Background

1. A report was brought to Cabinet on 12 February 2013 outlining recommendations for further reducing the annual cost of providing the councils waste collection service. The report focussed on options for garden waste collections, options for reducing costs at Towthorpe Household Waste Recycling Centre (HWRC), introducing a charge for replacement refuse and recycling containers and amending the permit scheme in use at the Councils two HWRCs.
2. One recommendation in the report were that further consultation was required on the options for garden waste collections and the opening hours at Towthorpe. This report presents the outcome of the consultation and makes recommendations that members are asked to consider.

The Consultation Options

Garden Waste

3. The options consulted on were:
 - a) A subscription charge of around £30 for emptying green bins all year round
 - b) A subscription charge of around £15 for emptying green bins in the winter months (November to March), but no charge for the summer months
 - c) No green bin collection in the winter months and no charge in the summer months

- d) First green bin supplied free and a one-off charge of around £30 for each extra garden waste bin
- e) The option to swap existing green bins for home composters free of charge
- f) A combined food waste and garden waste collection all year round
- g) Testing the market to see if a lower garden waste disposal cost can be achieved
- h) Assessing the market to see if garden waste has any value as a commodity
- i) Looking at the potential for all or part of the service to be undertaken by a social enterprise or community group

Towthorpe

4. The options consulted on were:
 - closing regularly on one weekday all year round
 - reducing daily opening hours
 - opening weekends only in winter
 - closing completely in winter
5. A summary of the consultation process and methodology is outlined in paragraphs 3 to 12 of Appendix A.

Analysis of Options

6. The analysis of each option is outlined below including relevant consultation results. Further details of the consultation results are attached as Appendix A to this report.

Garden Waste

7. The outcome from the consultation demonstrates:
 - a. that there is little support for any type of charging for garden waste collections – either all year round (85.5 per cent oppose) or just through the winter (60.7 per cent oppose).
 - b. that there is quite strong support for removing the winter garden waste service (71.2 per cent support) and introducing an additional

charge for each extra green bin that residents require (64.6 per cent support).

- c. support for a combined garden and food waste collection (65.3 per cent support), reducing disposal costs (76.3 per cent support) and using community groups to undertake part of the service (59.1 per cent support)

Analysis of options

A chargeable 'core' service – either all year round or just through the winter period

8. 13,624 tonnes of garden waste was collected by the kerbside service in 2011/12, and a similar amount has been collected over the past 5 years.
9. Under the existing Controlled Waste Regulations (CWR) 2012 the Waste Collection Authority (WCA) can make a separate charge for the collection of garden waste. However, a chargeable opt-in has the potential for some of this waste stream to go into the grey landfill bin. Against this, there may be savings through the income generated by a subscription service and reduced collection costs in terms of staff and vehicles.
10. Research by The York and North Yorkshire Waste Partnership (Y&NYWP) into charging for garden waste collections indicates that once a 'free' garden waste collection system is in place, residents may feel that this service should continue to fall within their council tax charge. Thus moving from a free collection to one that charges may not initially be popular with residents and will face opposition.
11. Other local authorities that have either charged for an opt-in service from the outset or have converted to a chargeable service are currently charging between £20 - £69 per annum, with an average charge of £30 or £40. Where a charge for the garden waste service is introduced, for a service that was previously provided free of charge, participation rates fall significantly, usually to around 25 or 30 per cent for a converted service, although this can vary, in some cases down to as low as 10 per cent. This is supported by our consultation which shows that only 14.5 per cent of residents would support a charge.
12. Any subscription based service would need to be underpinned by effective administrative arrangements. A realistic lead time to plan and implement such a service change would take several months, which would address:

- I. Advertising the service
- II. Receiving and processing subscription payments (whether by direct debit, card, cheque, Do It On-line facility) – this would ideally be available from July onwards in order to adequately plan and model collection rounds.
- III. Dealing with enquiries and complaints
- IV. Sending out appropriate documentation and identification e.g. stickers and/or tags for green bins
- V. Setting up the process for transmitting to the operations team new subscriptions and cancellations for the garden waste collection service
- VI. Arranging delivery and removal of green wheeled bins

13. A winter based subscription service would see a free fortnightly garden waste collection service provided from April to October and a monthly subscription based service from November to March each year.

14. This would allow residents with larger gardens to continue to use the service all year, but is also likely to result in garden waste being put into residual waste bins and then land-filled by residents who did not subscribe to this service. The number of customers may also be very low – a West Midlands metropolitan council in our family group offers winter collections from December to March, but only 63 households out of over 80,000 (or less than 0.1 per cent) have subscribed to this service. This is supported by the consultation that shows that 66.4 per cent of residents who use the winter service would not support a charge.

Conclusion

15. There is potential for a negative impact on the council's recycling strategy, the potential for an increase in landfill costs and resistance from residents, as demonstrated by the consultation results.

Winter garden waste collections

16. Last winter, 2370 tonnes of garden waste was collected (only 17.4 per cent of the annual garden waste collected). The resources required, per household, to carry out winter garden waste collections are not

consistent with those required during the summer months. The number of bins collected each week, and the area collected from, is also variable – unlike the summer when the majority of residents use the service. To overcome this over resourcing, a winter subscription could be levied but this has been discounted, and the reasons explained, earlier in this report. Therefore, to achieve a level of saving, a full removal of the winter service could be beneficial.

17. Removing the service will not reduce the garden waste arisings and there is a possibility that some of this waste would find its way into grey bins and so on to landfill at an increased cost to the authority. This is offset by the reduction in staff and vehicle assets required and is summed up in the table attached as Appendix B to this report.
18. Comments received as part of the consultation suggest that many residents who use the winter service, given the type of waste generated during the winter, will hold their winter waste until collections resumed in the spring.
19. During the late summer, the council will also undertake a city wide marketing campaign promoting the use of home composters for residents.

Conclusion

20. Removing the winter garden waste service is likely to produce a saving of £67K per year. However, this should be considered a conservative estimate due to the mitigation efforts mentioned above.
21. The option to remove the winter service was supported by 71.2 per cent of all residents and by 61.5 per cent of residents who use the winter service. In addition, 69.8 per cent of all residents and 62.7 per cent of people who use the winter service felt that the removal of the service would have no impact on them and that they would compost at home or take their garden waste to an HWRC.
22. The combination of low levels of garden waste being generated during the winter, home composting and residents holding their winter waste until the spring will limit diversion to landfill.

Charging for additional green bins

23. Households are provided with 1 x 180 litre wheeled bin as standard for garden waste. Some households, including those with large gardens, have been issued with one or more additional 180 litre wheeled bins.

24. In line with other councils it is proposed to continue with standard provision of 1 x 180 litre wheeled bin per household, but to allow the use of additional wheeled bins for households with larger gardens that prefer using multiple wheeled bins rather than home composting. An annual service charge would be introduced for any additional garden waste bins at £35 per bin, subject to annual review.
25. There are at least 5,000 additional bins currently in use. A charge of £35 p.a. for each of these would generate an income of £35K for every 1,000 additional bins that are currently in use, which remain so and were paid for. However, the likelihood is that there would be some residents who would convert to home composting and/or using HWRC facilities rather than paying for additional green garden waste bins in future.
26. Information from other local authorities who have made similar changes suggests there is likely to be a drop-out rate of around 30%, leaving approximately 3,500 paying customers for this service, which would generate £122,500 p.a.
27. In all cases, all wheeled bin containers would remain the property of the council, and retrieved from any resident who wished not to pay for additional bin service.
28. The greenest way to dispose of garden waste is to compost it at home. An alternative to charging residents for additional garden waste bins is to exchange their additional bin(s), or their free bin if a resident wished, for a home composter.

Conclusion:

29. The option to charge for additional garden waste bins was supported by 64.6 per cent of residents. In addition, 82 per cent of all residents and 59 per cent of residents with more than one garden waste bin felt that charging for additional bins would have no impact on them and that they would compost at home or take their waste to a HWRC.
30. Charging those residents who wish to use additional garden bins will be relatively simple and straightforward and will generate revenue that will offset the cost of collecting this additional waste. It would need an easy to use subscription service to be established through the council's website and contact centre. A vigorous marketing and communications plan would need to be established with a target of seeking subscriptions to this service from 3,500 households in the City.

31. The council will still provide a standard core service with 87.6 per cent of customers being unaffected by the charge. It will provide more serious gardeners the opportunity to take advantage of an extra service.
32. Although there was less support for home composting, it is still the greenest way to deal with garden waste and will offer residents more choice about how they deal with their garden waste.

Combined food and garden waste collection

33. It is widely known that the introduction of separate food waste collections have a positive impact on local recycling rates. They do, however, add further revenue budget pressures on the delivery service as additional resources, vehicles and staff, are required to undertake the collections, particularly if this service is provided on a weekly basis to maximise take-up by residents.
34. Collecting and processing garden waste with food waste makes each tonne of garden waste slightly more expensive to treat than that currently paid but significantly reduces the need for additional resources.
35. The processing cost for food waste would be significantly less than that paid at current as landfill tax is not applicable.
36. Processing of this type of waste could not be done under the current arrangements with Yorwaste, because they do not have a suitable food waste processing facility in York. Therefore, an alternative processing facility would need to be found.
37. Options for treatment of food waste could include collection together with garden waste. Households would be able to put all types of food waste (cooked and uncooked) into the existing green bin with garden waste, which is similar to how it is collected in East Riding and Hull.
38. East Riding have seen landfill tonnages reduce by 15 per cent since food waste was collected together with garden waste 18 months ago.
39. A similar reduction in York would have potential financial benefits detailed below, and also increase our recycling rate to over 50 per cent.
40. It is estimated that a combined food and garden waste collection service could achieve a saving of £10.4K per year on disposal costs. A breakdown of cost and expenditure is attached as Appendix C to this report.

41. The potential savings would be offset additional collection costs and by the provision of kitchen 'caddy's' for residents to use to store and present their kitchen waste. Providing a caddy to those properties receiving the service would require approx. £300,000 of capital investment for which funding may be available.

Conclusion:

42. There are clearly some benefits to York in providing a separate food waste collection or one that is combined with existing garden waste collections and this is supported by 65.3 per cent of residents.

43. An increased local recycling rate and a small revenue being generated to offset disposal costs are attractive.

44. A further report will be prepared by officers once further work is available to outline the business case.

Reducing disposal costs

45. York & North Yorkshire Waste Partnership (Y&NYWP) recently undertook a procurement exercise for the treatment of garden waste. The council has been named on the tender documents and will be able to access the framework if a cheaper disposal option is identified.

46. There is an opportunity to use the framework if it should offer significant financial benefits. Taking full part in this project would require us removing all or part of garden waste processing from the current 'Disposal, Composting & Recycling Contract' with our current contractor.

Conclusion:

47. Consultation results show that there is strong support for this option and, given that the council is already named on the tender documents and will be free to access the framework when it is available, then officers believe that we should make use of it if it affords any financial benefit.

48. It is anticipated that the new framework will be available for the council to access from May 2013 and Cabinet will be asked to delegate authority to officers to access the framework, when available, and enter into alternative disposal arrangements providing where this is of financial benefit to the Council.

Garden waste as a commodity

49. Officers have been investigating whether there is a market for the sale of our garden waste as a commodity; either for further processing into a compost or a bio-fuel. It is important to note that the garden waste material that we collect is not suitable for use as a bio fuel in the condition it is collected in.
50. The council's procurement team are also currently investigating the commodities market to see if there are any readily accessible markets for garden waste. However, at present it seems that we will have to continue to pay for the disposal of our garden waste.

Conclusion:

51. 83.7 per cents of residents support this option. However, having investigated this option further, it is not one that currently has anything to offer the council and cannot be taken forward at this stage, although it will be kept under review.

Engagement with community sector

52. The council has been working in partnership with The Friends of St. Nicholas Fields (FoSNF) for many years. They carry out a dry recycling and garden waste service in the city centre for just over 2000 properties and are funded by the council by way of a grant supported by a Service Level Agreement (SLA).
53. FoSNF were consulted to see if they could offer any help and advice for the garden waste service from the voluntary sector perspective. The issue of a large number of properties, vehicle requirements with bin lifts, operators licensing and lack of income generating potential from the garden waste meant that they could not offer any working option for this service.
54. The Social Enterprise sector in York is well established but requires further work, and support, by the council to give it sufficient capacity and resource to enable it to assist with large scale collections. A network of smaller social enterprises, or community groups, working in their local area under the council's direction could be successful, especially if the resultant material was used in local community compost schemes.

Conclusion:

55. Social Enterprise and community groups can have a vital role to play in helping the council deliver cost effective front line services in the future

and the consultation results show that 59.1 per cent of residents support this option . There is work that is required by the council to co-ordinate and galvanise these groups into a cohesive delivery model for the future. That will require time and, therefore, this option will not be recommended to cabinet at this stage though further work, and reports, will follow in the future.

Options for Towthorpe HWRC

56. Of the four options for reducing the opening hours there is virtually no support for the option to close the site completely during the winter (0.9%) or to only open it at weekends during the winter (7.2%).
57. The most popular was to close the site throughout the year on one weekday (65%) with reduced daily opening hours as the second preference (26.5%).
58. Some respondents felt that reducing the daily opening hours only, could cause confusion and knowing it was closed on one particular day per week would be simpler to communicate and understand.
59. Therefore, closing the site on one weekday throughout the year is the only recommended option and this will make an annual saving of £11K on site operating costs .

Conclusion

60. Closing the site for the whole of the winter, or just opening at weekends in the winter, are not popular options and are not recommended.
61. Closing the site for one weekday all year round is the preferred option of site users and, based on the consultation results, Wednesday was the most popular day for closure chosen by those surveyed (including those who used the site on Wednesdays). Based on average site usage with non-CYC users deducted that Wednesday also has the lowest average usage of any weekday. Therefore, it is recommended to close the site every Wednesday throughout the year.

Council Plan Priorities

62. The options outlined in this report will fully contribute to our corporate priorities by protecting the environment and seeking to be a top performing waste authority.

Implications

63. This report has the following implications:

Financial

64. The known financial implications are summarised in the table below.

The options being recommended to cabinet fall short of the savings target by £15K. This will be mitigated by a reduction in disposal costs achieved through work being done, as described in paragraphs 70 to 74 above.

Savings Reference	Description	Two Year Savings Target £'000	Assumed two year savings following recommendations £'000	Notes
CANS 33	Review of policies at Household Waste Recycling Centres by considering options for reducing costs.	125	11	Propose to close Towthorpe HWRC every Wednesday throughout the year.
			159	Previously agreed savings
CANS 103	Policy Review – Consider options for reducing the cost of garden waste to the tax payer.	250	190 (123 - charging for additional garden waste bins) (67 - remove the winter garden waste collections)	To introduce an annual charge for each additional garden waste bin and remove the garden waste service between November and March each year
Total		375	360	

Human Resources (HR)

65. There are no HR implications directly associated with the options in this report.

Equalities

66. Community Impact assessments have been completed to assess the implications of the changes recommended in this report. These assessments were updated, as required, to take account of the consultation carried out into the options referred to in this report.

67. The outcome of the assessments demonstrate that there will be little impact for residents. The council will continue to support residents who may have difficulty accessing our services, by way of assisted collection schemes and/or direct support from officers, where necessary.

Legal

68. The Council has a duty under section 45 of the Environmental Protection Act 1990 to arrange for the collection of household waste. Generally no charge can be levied for such a collection but the Controlled Waste Regulations of 2012 permit a charge for the collection of garden waste.

69. Members are aware of their general duties in connection with decision making and, in particular, the “equalities duty” to have ‘due regard’ to the need to eliminate discrimination and to promote equality when making decisions

Information Technology (IT)

70. Work has been carried out to ensure that IT systems are robust and able to deal with the implications outlined in this report – especially those related to charges.

71. Work is also being done with the York Customer Centre to ensure that processes are established to deal with requests and queries related to the implications in this report.

Property

72. There are no property implications as a result of this report.

Crime and Disorder

73. There are no crime and disorder implications as a result of this report.

Risk Management

74. Risks have been identified, especially to the delivery of services against a reduced budget. Any risk of an increase in fly tipping, or other environmental crime, will be mitigated through additional resources for monitoring and enforcement.

75. Given the scale of the service changes implementing some of the options will take careful planning and publicising. This will mean that some options are not delivered until part way through 2013/14 creating further budget pressures.

Recommendations

76. Cabinet is requested to;

- (1) approve the closure of Towthorpe HWRC every Wednesday throughout the year to take effect as soon as possible.
- (2) approve the removal of the garden waste service between November and March each year with effect from November 2013.
- (3) approve the introduction of an annual charge to residents of £35 for each additional garden waste bin
- (4) delegate authority to officers to enter into alternative disposal arrangements where this is a financial benefit to the Council
- (5) task officers with preparing a business case for a food waste service
- (6) task officers with continuing to monitor the potential for garden waste as a saleable commodity and for all, or part, of the service to be undertaken by a social enterprise or community group

Reason:

To enable the Council to meet its statutory and policy targets and continue to provide a high quality waste collection and disposal service that is financially sustainable and provides a robust base for future growth.

Contact Details

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Wards Affected: List wards or tick box to indicate all		All	✓

For further information please contact the author of the report

Background Papers: None

Appendices

Appendix A – Analysis of consultation results

Appendix B – Predicted savings for removing winter garden waste service

Appendix C – Potential savings from a combined food and garden waste collection service