



Executive Committee

????? Ward Relevance

18th November 2009

'OPT-IN' CHARGEABLE GARDEN WASTE COLLECTION – BUSINESS CASE

(Report of the Head of Environment and Head of Operations)

1. Summary of Proposals

The Joint Municipal Waste Management Strategy (JMWMS) 2009 sets the Partnership a target of 43% recycling/composting by 2014. As a signatory to the JMWMS 2009, Redditch Borough Council has committed to play its part and increase its recycling/composting rate (NI 192) to help achieve this. This report requests Members approval to introduce a paid for 'opt in' garden waste collection service during 2010/11.

2. Recommendations

The Committee is asked to **RECOMMEND** that:

- 1) the Council introduces a pilot chargeable 'opt-in' garden waste collection service in a targeted area of the Borough during the first half of 2010.
- 2) depending on the outcomes of the pilot, including financial implications, the effect on performance, publicity requirements, administration and operational impacts, the service is rolled out across the Borough during 2011/12.
- 3) the pilot is carried out in the area identified in the business case and that any additions or amendments to this area be delegated to the Head of Environment in Consultation with the Leader and the Portfolio Holder for Local Environment, Housing and Health.
- 4) The service standard for the collection of garden waste (Appendix B) is adopted, subject to any changes which the Committee requests are made.
- 5) the Committee identifies the preferred option for the service detailed in the Business Case at Appendix A is agreed;
- 6) whether an initial set up charge to cover the cost of a bin is passed onto customers in the first year;

- 7) **whether the council's current collection policy relating to garden waste in grey bins is amended to coincide with the start of the new service to prevent garden waste being placed in grey bins a) in the pilot area or b) Borough wide;**
- 8) **whether the council's current collection policy relating to the sale of orange sacks is amended to coincide with the start of the new service to prevent waste, including garden waste, being disposed of in orange sacks a) in the pilot area or b) Borough wide;**
- 9) **an update report on the pilot service and recommendations for the roll out or cessation of the service be brought back to a future meeting of this Committee during 2010/11.**

3. Financial, Legal, Policy, Risk and Sustainability Implications

Financial

- 3.1 The introduction of a pilot service will enable the Council to establish realistic customer take up and level of service charge. It is intended that the collection of garden waste would be self funding and costs to run the service would be recovered via the charge to customers taking up the service. However, full cost recovery may not be possible during the first year of the service and this is subject to Member decision on options included in Appendix A.
- 3.2 Customers could also be charged a one off cost to help to cover initial setting up costs and this is subject to Member decision.

Legal

- 3.3 The Council has a duty to collect household waste but may make a charge for the collection of garden waste.
- 3.4 Under the Waste and Emissions and Trading (WET) Act 2003 Local Authorities are required to meet stringent targets set by the Landfill Directive. Under the Landfill Allowance Trading Scheme (LATS) allowances have been allocated to waste disposal authorities (WCC) that set limits for the amount of biodegradable waste sent to landfill. There will be severe penalties (currently set at £150 per tonne) for exceeding the allocation.

Policy

- 3.5 The revised Joint Municipal Waste Management Strategy (JMWMS) which was brought to the Executive Committee for approval on 7th

October 2009, supports the introduction of chargeable garden waste collections to improve performance on NI 192, % of household waste recycled/composted.

Risk

- 3.6 There is a risk that there would not be enough customer interest to make the service viable and the Business Case includes a number of options based on variable levels of customer take up. Consequently there is a risk that costs would not be recovered of providing the service to the pilot area during 2010/11.
- 3.7 A pilot scheme will enable the council to assess the levels of customer take up and consequently costs incurred in running the service and is a way of mitigating the risk. Customers who come forward in the pilot area will be informed that the service may be withdrawn after the first year.
- 3.8 There is a risk that if the Council does not commence a garden waste collection, performance in relation to NI 192 will drop significantly in comparison to both neighbouring authorities and the national trend, this would influence future Comprehensive Area Assessment outcomes and the Council's direction of travel.

Sustainability / Environmental

- 3.9 The revised Joint Municipal Waste Management Strategy is founded on the principles of sustainability and Climate Change is recognised as a key issue in the future delivery of waste services. The removal of organic material from landfill, and the subsequent reduction in the production of methane, a potent Greenhouse Gas, is a key aim of both the national and our local waste strategies. A number of considerations are included in the Business Case at appendix A.

Report

4. Background

- 4.1 In 2006 the Council introduced an alternate weekly waste collection service and this has increased the level of recycling significantly to around 32% (outturn 2007/08). National Indicator 192 combines both recycling and composting and authorities leading performance on NI 192 offer collections of garden waste. NI 191 measures the amount of **residual** waste collected – i.e. waste not recycled, composted or re-used and has taken away the goal of reducing the total amount of waste collected.

- 4.2 At its meeting on 7th January 2009, the Executive Committee requested that, in order to meet increasing national targets for recycling and composting, the feasibility of a chargeable self funding 'opt-in' garden waste collection, and delivery of this in partnership with Bromsgrove District Council, be explored. Officers have now draw up a business case for Members' further consideration.

5. Key Issues

- 5.1 The original JMWMS adopted the principle of composting at home as the preferred way of dealing with garden waste and this approach remains. However it is now recognised that garden waste collections are a key way of significantly increasing performance in relation to NI 192 and that this is a service that some residents would like to receive (JMWMS consultation, February – May 2009).
- 5.2 The previous non statutory national target of recycling 33% of household waste by 2015 has now been significantly increased to 45%, rising to 50% by 2020. To achieve these levels of recycling, it will be necessary to introduce new collection/treatment systems. Currently, despite a significant improvement in the level of waste recycled, the Council is in the bottom quartile for NI 192 - % of waste sent for re-use, recycling and composting The following table shows previous and future targets that have been set for recycling/composting household waste:

Year	Non statutory national target	Statutory performance standard	JMWMS Joint target
2007/8	25%	20%	24%
2008/09	25%	None set	24%
2009/10	40%	"	40%
2013/14	40%	"	43%
2015/16	45%	"	45%
2020	50%	"	50%

- 5.3 Under the Landfill Allowance Trading Scheme (LATS), the County Council as the Waste Disposal Authority (WDA) has been set maximum allowances for the amount of biodegradable municipal (BMW) waste sent to landfill in future years. Based on current performance levels the County Council will not exceed allowances in 2010/11. If improvements, new treatment facilities or other alternatives are not delivered to divert BMW from landfill then the County Council could be subject to fines from 2010/11 onwards. A percentage of Redditch's grey bin waste is currently landfilled and the majority is sent to be treated at an energy from waste facility in

Warwickshire. However there is a need to support the county wide approach, reduce the amount of waste which is disposed of and increase performance on NI 192.

- 5.4 In addition to LATS, the landfill tax escalator, the tax payable on each tonne of material landfilled, is now increasing by £8 per year from 2008 until at least 2010/11 to give greater incentive to divert waste away from landfill by amongst other things reducing, re-using and recycling waste; by 2010 the tax will be £48 per tonne.
- 5.5 A business case for the introduction of a chargeable garden waste collection service is detailed in Appendix A. The business case outlines full details including resources needed, use of existing vehicles and staff, issues around procurement, potential partnership working and sharing of resources with BDC, the suggested pilot area and number of properties to be targeted. Other considerations include publicity requirements and administrative systems needed to manage the customer base and payments made.
- 5.6 The Business Case indicates that
- a) The provision of an 'opt in' chargeable garden waste collection service supports the JMWMS commitment to achieve higher recycling/composting performance
 - b) The council would need to review existing waste collection policies if a collection were to be introduced
 - c) Some waste which is currently disposed of would be diverted to composting
 - d) There would be an impact on climate change indicator NI 185.
 - e) That a pilot service during 2010/11 will allow us to mitigate risks associated with the introduction of the new service
 - f) That the pilot area should be in a compact area of the town which is likely to attract the highest % of customer take up
 - g) the number of customers taking up the service is critical in determining the right charge per customer to ensure cost recovery
 - h) Option 1 is the most expensive as staffing costs are based on premium rates
 - i) Option 2 is the mid range price and does not incur additional transport miles (vehicles moving from BDC to RBC)
 - j) Option 3 is the most cost effective but incurs additional transport miles
- 5.7 In order to manage customer expectations and reduce risk, a relatively small pilot area should be targeted to assess levels of interest and allow us to gain a more detailed understanding of the financial implications, the effect on performance, publicity

requirements, administration of the service and operational impacts. It will be necessary to develop publicity materials that will explain clearly to customers how the new service may be introduced and to make them aware that the service may be withdrawn in November 2010.

- 5.8 As with the alternate weekly collection service, it is essential to have an adopted service standard which provides details to customers about how the service works, for example the size of bin provided, what happens if the bin is not collected or goes missing and the waste material that can be placed in the bin. A draft service standard has been produced and is included at Appendix B **(to be inserted)**.

6. Other Implications

Asset Management - None.

Community Safety - None.

Human Resources - The introduction of the new service will require resources and it is anticipated that this will be provided as overtime to existing employees in the first instance.

Social Exclusion - to be completed.

7. Lessons Learnt

Whilst Redditch Borough Council has improved its recycling rate significantly in recent years, performance is still significantly lower than many authorities and we are currently in the bottom quartile for NI 192; this could be an issue in any future external judgements on the authority.

Redditch Borough Council needs to play its part in fulfilling the JMWMS.

8. Background Papers

The Joint Municipal Waste Management Strategy First Review, August 2009 (to be published January 2010).

9. Consultation

This report has been prepared in consultation with relevant Borough Council, County Council and Bromsgrove District Council Officers.

10. Author of Report

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11. Appendices

Appendix A - Business Case for the Collection of chargeable garden waste in Redditch

Appendix B - Draft Service Standard for the collection of Garden Waste (to be inserted)

Appendix C - Garden Waste Collection Round.

[12. Key

(Optional extra section – if needed –
= Key to Abbreviations / Terms used in report)]

JMWMS – Joint Municipal Waste Management Strategy

LATS – Landfill Allowance Trading Scheme

BMW – biodegradable municipal waste

NI 191 - % of household waste not recycled, composted or re-used

NI 192 - % of household waste recycled, composted or re-used