

Executive Committee

No Direct Ward Relevance

9th December 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 targeted areas of the Borough during the first half of 2010;
- 2) depending on the outcomes and evaluation of the pilot, including financial implications, the effect on performance, publicity requirements, administration and environmental and operational impacts, the service be rolled out across the Borough during 2011/12;
- 3) the pilot be carried out in the areas identified in the business case and that any additions or amendments to these areas be delegated to the Head of Environment in Consultation with the Leader and the Portfolio Holder for Housing, Local Environment and Health;
- 4) the service standard for the collection of garden waste (Appendix B) be adopted, subject to any changes recommended by the Committee;
- 5) the preferred option for the service, selected from the three detailed in the Business Case at Appendix A, be agreed;

- 6) an initial one off set up charge to cover the cost of a bin be passed onto customers, including those in the pilot areas, OR bins be provided free of charge;
- 7) that 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 discourage garden waste being placed in grey bins;
- 8) that the Council's current collection policy relating to the sale of orange sacks continues unaffected in the pilot areas but that residents purchasing orange sacks who live in the pilot areas will be provided with information about the new service, home composting and what happens to waste disposed of in orange sacks;
- 9) that the orange sack policy is further considered as part of the evaluation of the pilot and the update report to Members;

RESOLVE that

- 10) 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 areas 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 areas 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.
- 3.9 The Council has to reduce carbon emissions from its operations (NI 185). The introduction of a garden waste collection service will increase carbon emissions and there is a risk that it will be more difficult for the council to reach its reduction targets.
- 3.10 There is a risk that if changes to waste collection policies are not made levels of take up could be affected.

Sustainability / Environmental

- 3.11 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. More detailed considerations are included in the Business Case at appendix A.

- 3.12 As part of the overall sustainability of this new service, consideration has to be made of the positive economic effects of creating employment opportunities and support of a local business where the garden waste would be taken for processing.
- 3.13 Social benefits are that some residents wish to receive this service and it promotes positive environmental behaviour including a 'feel-good' factor in those taking part.

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 tables show previous and future targets that have been set for recycling / composting household waste and current predicted outturn performance in Worcestershire.

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%

Authority	Predicted outturn	Paid for garden waste	Food waste collection
Wychavon	43%	<input type="checkbox"/>	<input type="checkbox"/>
Bromsgrove	37%	<input type="checkbox"/>	
Worcester City	36%	<input type="checkbox"/>	
Redditch	30%		
Malvern Hills	28.5%	<input type="checkbox"/>	
Wyre Forest	27%		

- 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 The following provides the rationale why we should discourage garden waste being disposed of in grey bins
- a) We need to reduce the amount of garden waste (7% of total waste collected) which is disposed of in grey bins and contributes to landfill.
 - b) To ensure fairness, it would not be equitable for some people to pay for a garden waste collection and others to be able to continue to dispose of it free of charge in the grey bin.
 - c) Some residents would choose to use the service for environmental reasons, to ensure that their garden waste is composted. However, there has to be a further incentive to encourage other people to divert their waste from the grey bin.
 - d) An alternative for residents who do not wish to pay for the service or do not live in the pilot areas is still to home compost – further advice on home composting is available from <http://www.wastemissionimpossible.org.uk/composting/index.htm> This would be promoted to residents who placed garden waste in the grey bin and through general promotion.
- 5.6 The following provides the rationale for continuing the sale of orange sacks in the pilot areas :
- a) Overall the purchase of orange sacks is more expensive than the garden waste collection service and therefore residents will be encouraged to choose the cheaper option.
 - b) Keeps people on board and in particular residents who use the orange sacks to dispose of other household waste.
 - c) Allows us opportunity to review impacts on orange sack sales and implications for long term policy if orange sack sale was withdrawn across the Borough.
- 5.7 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 areas and number of properties to be targeted. Other considerations include publicity requirements and administrative systems needed to manage the customer base and payments made.

- 5.8 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 areas should be in a compact areas 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) and is our recommended approach for running the pilot service.
 - j) Option 3 is the most cost effective but incurs additional transport miles.
- 5.9 In order to manage customer expectations and reduce risk, relatively small pilot areas 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.
- 5.10 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.

6. Other Implications

- Asset Management - None.
- Community Safety - Fly-tipping has been found to create a negative impact on people's feeling of safety which can contribute to a fear of crime. On a recent clean up event held in Oakenshaw a large amount of garden waste was found dumped in black sacks. The service may reduce fly-tipped garden waste, particularly for residents who have no method of transporting it to the Household Waste Site.
- 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 - Could benefit those residents who have no transport or means of travel to dispose of garden waste

7. Lessons Learnt

- 7.1 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.
- 7.2 Redditch Borough Council needs to play its part in fulfilling the JMWMS.
- 7.3 Through the introduction of the alternate weekly collection service we have learned that an educative approach, giving residents information and advice, is the best way of introducing a new service. Therefore, in relation to both collecting garden waste in grey bins and the sale of orange sacks (recommendations 7 and 8) we would use the following approach:

- a) In the pilot areas residents will be provided with promotional material including information on the new service, home composting and what happens to waste placed in the orange sacks for collection – i.e. it is not composted and goes for disposal with residual waste.
- b) A promotional approach period would be used where we would still empty grey bins that contained garden waste and at the same time provide residents with information and advice about home composting and the new service.
- c) Residents within the pilot areas who purchase orange sacks will be provided with information at the point of purchase.
- d) Monitoring of orange sack sales both in the pilot areas and Borough wide can be carried out during the pilot period.
- e) Develop a long term policy on orange sacks as part of evaluation of pilot (recommendation 9)

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

Appendix C - Garden Waste Collection Round.

12. 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