

Cheltenham Borough Council
Cabinet– 6th December 2016
Garden Waste Charges 2017-2018

Accountable member	Councillor Chris Coleman , Deputy Leader of the Council and Cabinet Member Clean and Green Environment
Accountable officer	Martin Stacy, Lead Commissioner – Housing Services
Ward(s) affected	All
Key Decision	Yes
Executive summary	<p>The Authority’s garden waste collection service began in February 2011. Since 31st March 2013 the number of garden waste bins collected under the scheme has seen a gross increase of around 1,500 bins/year. Retention rates have remained high at around 95%, reflecting general satisfaction with the service; with the result that net take-up has been between 800-1000 bins/year. The actual total number of bins collected has increased from 12,781 as at 31st March 2013 to 16,189 as at 30th September 2016.</p> <p>Since February 2011, the charge for collecting garden waste has increased on only two occasions: from £36/year to £37/year in February 2014, and from £37/year to £38/year in February 2015. Since the start, the Authority has offered a £2/year discount for existing customers who renew their subscription ahead of their annual renewal date (a ‘prompt payment’ discount) as well as a £2 ‘spring offer’ discount for new bin applications, if customers subscribe between the period 1st February to 31st May.</p> <p>It is proposed that from February 2017, the Authority’s garden waste collection charge will be increased from £38/year to £42/year. At the same time, the Authority also proposes to increase the prompt payment discount, along with the spring offer discount, from £2/year to £3/year. This will mean that existing customers who renew their subscription ahead of their annual renewal date, and new customers who take advantage of the spring offer discount, will both see a £3/year rise in the cost of subscription per bin (if they also received the prompt payment or spring offers last year), whilst customers who do not take advantage of the discounts will see a £4/year rise in the cost of subscription per bin.</p>
Recommendations	<p>That Cabinet recommends:</p> <ol style="list-style-type: none"> 1. An increase in the garden waste collection charge from £38/year to £42/year. 2. An increase in the prompt payment discount from £2 to £3 for households renewing their subscription ahead of their annual

renewal date.

- 3. An increase in the spring offer discount from £2 to £3 for new customers who subscribe to the garden waste collection service during the period 1st February 2017 to 31st May 2017.**

Financial implications	As detailed within the report. Contact officer: Paul Jones, Head of Finance paul.jones@cheltenham.gov.uk, 01242 775154
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<p>Legal implications</p>	<p>The Council is permitted to charge for the collection (but not disposal) of garden waste by paragraph 4(2) of Schedule 1 to the Controlled Waste (England and Wales) Regulations 2012.</p> <p>Section 45(3)(b) of the Environmental Protection Act 1990 further provides that any charge must be “reasonable” and thus any increase should not be contrary to this requirement. The Act does not define “reasonable” but the usual meaning is that the charges should be comparable with those levied by other authorities and service providers. Section 2.4 of this report is noted in this regard. Under Section 45(3)(a) of the Environmental Protection Act 1990 the duty to collect garden waste and ability to charge for such collection is dependent on the Council being specifically requested to collect the waste. Accordingly, the renewal process referred to in the Executive Summary should - and does - involve customers actively seeking a new subscription rather than automatically renewing for another year at the increased charge.</p> <p>With regard to the consultation referred to in Section 4 of this report, it should be in accordance with the duties imposed by section 3(2) of the Local Government Act 1999 (as updated by revised Best Value Guidance Statutory Guidance of March 2015) and the Equality Act 2010 (as subsequently interpreted by case law and guidance). There is no need to undertake separate consultations in respect of both duties but any consultation exercise must fulfil the following requirements for the respective duties:</p> <p>Best Value guidance states that consultation should take place “at all stages of the commissioning cycle.” Thus it is entirely appropriate for the Council to consult with regard to potential changes to the wider waste and recycling service. In practical terms the consultation should be sufficient to reach the consultees specified in the guidance i.e. “representatives of council tax payers, those who use or are likely to use services provided by the authority, and those appearing to the authority to have an interest in any area within which the authority carries out functions. Authorities should include local voluntary and community organisations and small businesses in such consultation.”</p> <p>In terms of the Equality Act 2010 the Council has to bear in mind its wider Public Sector Equality Duty (PSED) when proposing service changes i.e. the duty to: (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this (Equality) Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.” (‘protected characteristics’ are: Age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.)</p> <p>Again, in practical terms, the PSED requires any consultation regarding service change to be at the earliest opportunity, with persons possessing a protected characteristic who may be affected, be clear who it may affect and how, and give them the opportunity to express their views. Cabinet should be satisfied that the consultation exercise meets the requirements detailed in paragraphs 4 and 5 above.</p> <p>Contact officer: Linden Dunham, Chartered Legal Executive (Commercial), linden.dunham@teWKesbury.gov.uk, 01684 272065</p>
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HR implications (including learning and organisational development)	None as a direct result of this report.
Key risks	Please refer to Appendix 1 of this report
Corporate and community plan Implications	The garden waste collection service supports the Authority's corporate outcome: Cheltenham's environmental quality and heritage is protected, maintained and enhanced.
Environmental and climate change implications	The Authority's garden waste collection service supports the environment by potentially diverting organic waste from landfill, thereby saving the cost of landfill tax and the associated production of methane and leachate. Residents who choose not to participate in the scheme can use the council's household recycling site at the Swindon Road Depot or the county council site at Wingmore Farm
Property/Asset Implications	None as a direct result of this report. Contact officer: David Roberts@cheltenham.gov.uk

1. Background

- 1.1** The Authority's garden waste collection service began in February 2011. Since 31st March 2013 the number of garden waste bins collected under the scheme has seen a gross increase of around 1,500 bins/year. Retention rates have remained high at around 95%, reflecting general satisfaction with the service; with the result that net take-up has been between 800-1000 bins/year. The actual total number of bins collected has increased from 12,781 as at 31st March 2013 to 16,189 as at 30th September 2016.
- 1.2** Since February 2011, the charge for collecting garden waste has increased on only two occasions: from £36/year to £37/year in February 2014, and from £37/year to £38/year in February 2015. Since the start, the Authority has offered a £2/year discount for existing customers who renew their subscription ahead of their annual renewal date (a 'prompt payment' discount) as well as a £2 'spring offer' discount for new bin applications, if customers subscribe between the period 1st February to 31st May.
- 1.3** It is proposed that from February 2017, the Authority's garden waste collection charge will be increased from £38/year to £42/year. At the same time, the Authority also proposes to increase the prompt payment discount, along with the spring offer discount, from £2/year to £3/year. This will mean that existing customers who renew their subscription ahead of their annual renewal date, and new customers who take advantage of the spring offer discount, will both see a £3/year rise in the cost of subscription per bin (if they also received the prompt payment or spring offers last year) whilst customers who do not take advantage of the discounts will see a £4/year rise in the cost of subscription per bin.

2. Reasons for recommendations

- 2.1** The Budget Strategy that was approved by Cabinet on 11th October 2016 identified a projected funding gap for the period 2016/17 to 2019/20 of £4.1 million. Detailed within the strategy was the proposal for garden waste collection service charges to be increased. Paragraph 6.15 of the Medium Term Financial Strategy (the MTFS) has estimated that the additional income generated for this service as a result of the increased charges will reduce the funding gap by approximately £40,000/year.
- 2.2** Also detailed within the MTFS are the estimated additional costs associated with implementing a new waste and recycling service for the Borough (see paragraphs 4.16 and 4.17 of the MTFS). As the current fleet of recycling vehicles reach the end of their usable life in 2017, Ubico and the Joint Waste Team were asked to undertake an appraisal of the recycling collection service options available to the Authority from 2017/18 onwards. The current vehicles used for recycling collection are not available in the future, which has effectively meant that the 'do nothing' option is not an option. The report that has been put to Cabinet entitled, Waste and Recycling Service Redesign, and also dated 6th December 2016 details the preferred option to be implemented, which includes an enhanced fortnightly kerbside sort recycling service (with OCC (brown corrugated) cardboard and PTT (plastic – pots, tubs and trays) being collected as part of the service).
- 2.3** Due to the necessity to replace the recycling vehicles there is an additional structural cost arising of £146,500 which has been built into the base budget in 2017/18. It should be noted however that the £146,500 is a best estimate - and given that this is an estimate, based on a number of assumptions, actual costs could exceed projected costs. It is therefore considered that should any income generated from the garden waste collection service exceed the estimated £40,000 additional income identified within the MTFS, then it will be used to support either any potential overspend associated with the implementation of our new waste and recycling service, or any other overspend in the waste and recycling budget.
- 2.4** Finally, the proposed increase in charges for the garden waste collection service, if approved, will bring this Authority closer in line with our neighbouring Authority, Tewkesbury Borough Council,

which also currently charges £42/year for their garden waste collection service (albeit without any discounts).

3. Alternative options considered

- 3.1** That the Authority does not increase the charges for the garden waste collection service. This has been rejected on the basis that there is a requirement to support the funding required for the enhanced fortnightly kerbside sort recycling service as identified within the Authority's Budget Strategy. Any potential windfall that is generated could also be used to support the implementation of the proposed new waste and recycling service or other costs associated with the delivery of the waste and recycling service.

4. Consultation and feedback

- 4.1** The Authority has recently undertaken a consultation exercise with Cheltenham residents to understand which type of waste and recycling service they would prefer to receive. As part of this consultation exercise we also asked how they would prefer to pay for their new waste and recycling service. Of the four options provided: closing the Household Recycling Centre; increasing charges for garden waste collection; closing the recycling banks; or increasing the Authority's other fees and charges, a significant proportion of residents who took part in the consultation (i.e. 1913 out of 3092 – 62%) chose increasing the garden waste charges as their first or second preferred option. Whilst this does show a preference for increasing garden waste collection charges over some of the other options given, it should be noted that it is not known whether those who took part in this consultation were also users of the garden waste collection service.
- 4.2** The proposed increase in charge for the collection of garden waste is supported by our client officer within the Joint Waste Team, and is broadly supported by the Council's Customer Services Manager, although a preference was given for the increase to be limited to £41/year, with the discount retained at £39/year. In practice, the outcome is unlikely to be any different as it is expected that most customers will look to take advantage of the £3/year discount, thereby ensuring that the charge for the majority of customers will be £39/year.

5. Performance management – monitoring and review

- 5.1** Performance in terms of take-up and income generated will continue to be monitored quarterly as part of the CBC-Ubico performance monitoring arrangements. Outcomes will be used to inform the thinking on any possible changes to the charges in the future.

Report author	Contact officer: Martin Stacy, martin.stacy@cheltenham.gov.uk, 01242 775214
Appendices	1. Risk Assessment
Background information	None

The risk				Original risk score (impact x likelihood)			Managing risk				
Risk ref.	Risk description	Risk Owner	Date raised	Impact 1-5	Likelihood 1-6	Score	Control	Action	Deadline	Responsible officer	Transferred to risk register
	If the proposed increase in charge to the garden waste collection service is not agreed, then the Authority may be unable to meet its requirement to generate an additional £40,000/year to support its funding gap, as detailed in its Budget Strategy.	Martin Stacy	4.11.16	2	5	10	Reduce	Cabinet approves the proposed increase in charge for the garden waste collection service	6.12.16	Martin Stacy	
	If the increase in charge to the garden waste collection service is increased, then take up of the service may reduce, resulting in less income for the Authority.	Martin Stacy	4.11.16	2	2	4	Accept	A reduction in the demand for the service has been taken into account in assessing the £40,000 additional income that it is anticipated will be generated as a result of the increased charges.	6.12.16	Martin Stacy	
Explanatory notes Impact – an assessment of the impact if the risk occurs on a scale of 1-5 (1 being least impact and 5 being major or critical) Likelihood – how likely is it that the risk will occur on a scale of 1-6 (1 being almost impossible, 2 is very low, 3 is low, 4 significant, 5 high and 6 a very high probability) Control - Either: Reduce / Accept / Transfer to 3rd party / Close											

