

Cheltenham Borough Council
Cabinet – 11 June 2019
Bulky Collections Service and Charging

Accountable member	Councillor Chris Coleman, Cabinet Member Clean and Green Environment
Accountable officer	Karen Watson – Client Manager, Environmental Services (interim)
Ward(s) affected	All
Key/Significant Decision	Yes
Executive summary	<p>Cheltenham Borough Council provides a charged for kerbside bulky waste collection service for residents in Cheltenham and charges have increased year on year in line with inflation. This service is provided by a 3rd party for the Council, collecting fridges, freezers, furniture and other bulky items which are difficult for residents to dispose of themselves.</p> <p>In 2016/17 the bulky waste charge increased from £15.82 to £16.20 per unit; in 2017/18 the charge increased to £17.00 per unit and in 2018/19 the charge increased to £17.50 per unit however operational costs including fuel costs, employment costs and more significantly waste disposal costs have increased requiring a review of charges for 2019/20 to bring the price charged for this service closer to the cost of delivering it.</p> <p>The results of the public consultation survey carried out between 19 December 2018 and 6 January 2019 indicate that 64.9% of respondents would be prepared to pay £19.50 per unit or more for this service if they knew the items were recycled or re-used where possible.</p> <p>This report therefore recommends an increase in charges from £17.50 per unit to £19.50 per unit to bring the price charged for this service closer to the operational costs of delivering it. This recommendation is in line with the results of the public consultation carried out between 19 December 2018 and 6 January 2019 and the authority’s commitment to reduce waste and increase re-use/recycling. This report also recommends an increase in the bulky waste collection charge from £25.50 for a 5 seat three piece suite, calculated at 1.5 units, to £29.25 for a 5 seat three piece suite with effect from 1 July 2019 for the same reasons as set out above,</p>
Recommendations	<ol style="list-style-type: none"> 1. That Cabinet approve an increase in the bulky waste collection charge from £17.50 per unit to £19.50 per unit with effect from 1 July 2019; 2. That Cabinet approve an increase in the bulky waste collection charge from £25.50 for a 5 seat three piece suite, calculated at 1.5 units, to £29.25 for a 5 seat three piece suite with effect from 1 July 2019.

Financial implications	<p>As detailed within the report.</p> <p>Additional income as a result of the charge increase from £17.50 to £19.50 per unit, including the charge increase from £25.50 for a 5 seat three piece suite, calculated at 1.5 units, to £29.25 for a 5 seat three piece suite, is estimated at approximately £5,000 in 2019/20.</p> <p>Contact officer: Jon Witlock, jon.witlock@publicagroup.uk</p>
Legal implications	<p>Under section 45(3) of the Environmental Protection Act 1990 the Council is only permitted to charge for the collection of household waste when specifically allowed to by regulations made by the Secretary of State.</p> <p>The relevant regulations in this case are the Controlled Waste (England and Wales) Regulations 2012/811. Paragraph 4 of Schedule 1 to those regulations permits the Council to charge for bulky items of household waste i.e items that cannot be fitted into the waste receptacle provided, or if no receptacle is provided, “a cylindrical container 750mm in diameter and 1m in length.” No charge may be made for disposal.</p> <p>Section 45(3) of the Environmental Protection Act further provides that any collection charge must be reasonable. There is a paucity of guidance on what is “reasonable” in this context but it is generally held to mean sufficient to cover the cost of the service.</p> <p>Contact officer: Shirin Wotherspoon, shirin.wotherspoon@teWKesbury.gov.uk</p>
HR implications (including learning and organisational development)	<p>None as a direct result of this report.</p> <p>Contact officer: Clare Jones, Clare.Jones@publica.co.uk</p>
Key risks	<p><i>Please refer to Appendix 1 of this report</i></p>
Corporate and community plan Implications	<p>The content of this report supports key priority (KP3) of the corporate plan 2019-23.</p>
Environmental and climate change implications	<p>The kerbside bulky waste collection service supports the environment by enabling residents to dispose of bulky goods correctly. If the percentage of bulky waste that is re-used or recycled can be increased this will provide further environmental benefits.</p> <p>Contact officer: Gill Morris@cheltenham.gov.uk</p>
Property/Asset Implications	<p><i>None as a direct result of this report.</i></p> <p>Contact officer: simon.hodges@cheltenham.gov.uk</p>

1. Background

- 1.1** Cheltenham Borough Council provides a charged for kerbside bulky waste collection service for residents in Cheltenham and charges have increased year on year in line with inflation. This service is provided by a 3rd party for the Council, collecting fridges, freezers, furniture and other bulky items which are difficult for residents to dispose of themselves.
- 1.2** In 2016/17 the bulky waste charge increased from £15.82 to £16.20 per unit; in 2017/18 the charge increased to £17.00 and in 2018/19 the charge increased to £17.50 however operational costs including fuel costs, employment costs and more significantly waste disposal costs have increased requiring a review of charges for 2019/20 to bring the price charged for the service closer to the cost of delivering it.
- 1.3** The increased costs of waste transfer and disposal are as a result of a greater volume of bulky waste items not being re-used or recycled requiring transfer and disposal, combined with the increase in haulage costs per load from Swindon Road depot to landfill. In 2018/19 it is estimated that the cost to the council was £26,000 (representing 60% of the overall volume of waste in the spotting compound).
- 1.4** In 2018/19, the cost to the council of providing the bulky waste collection service was £44,713 plus the cost of waste transfer and disposal estimated at £26,000, a total cost to the council of £70,713 which, when netted off against income, leaves a shortfall in the cost of delivering the service of at least £7,000.
- 1.5** Waste transfer and disposal costs in Cheltenham will further increase in 2019 as a result of budget pressures for Gloucestershire County Council.
- 1.6** Gloucestershire County Council is the waste disposal authority with statutory responsibility under the Environmental Protection Act 1990 and as such determined that from 2019 residual waste in Gloucestershire would no longer be landfilled but would be sent to an Energy for Waste Plant (Javelin Park) with a view to generating savings.
- 1.7** Following Gloucestershire County Council's cabinet decision on 18 April 2018, a cost evaluation exercise took place to reduce the waste disposal costs for Gloucestershire County Council however this resulted in increased costs for Cheltenham Borough Council as the waste collection authority. To minimise the additional costs of direct delivery of residual waste to Javelin Park for Cheltenham Borough Council, a settlement agreement was negotiated avoiding direct delivery costs. The settlement agreement requires a payment of £50,000 per year for 3 years to Gloucestershire County Council to offset waste disposal costs (Cheltenham Borough Council's cabinet report dated 29 November 2018 refers). It is expected Cheltenham's residual waste will go to Javelin Park via a local waste transfer station from July 2019 and this will include all bulky waste items which are not re-used or recycled.
- 1.8** The results of the public consultation survey carried out between 19 December 2018 and 6 January 2019 indicate that 64.9% of respondents would be prepared to pay £19.50 or more for this service if they knew the items were recycled or re-used where possible.
- 1.9** This report therefore recommends an increase in charges from £17.50 per unit to £19.50 per unit to bring the price charged for the service more in line with the cost of delivering it. The results of the public consultation carried out between 19 December 2018 and 6 January 2019 support a £2 per unit price increase where more items are re-used or recycled. This also further supports the authority's commitment to reduce waste and increase re-use/recycling.
- 1.10** This report also recommends an increase in the bulky waste collection charge from £25.50 for a 5 seat three piece suite, calculated at 1.5 units, to £29.25 for a 5 seat three piece suite with effect

from 1 July 2019.

2. Reasons for recommendations

- 2.1** The government's new waste and resources strategy promotes the need for more robust waste reduction measures and a greater focus on increasing recycling and re-use to preserve precious resources. In light of the concerns regarding the impact of climate change it is more important than ever that all that can be done is done to divert waste from landfill or energy for waste facilities and increase the amount of material recycled or re-used.
- 2.2** The current kerbside bulky waste service which is provided by a 3rd party for the Council is only able to divert a fairly small percentage of items collected away from landfill. Improvements have been identified which can be implemented at the point of booking to ensure more guidance is given to residents to increase the likelihood of items being re-used. For example, if the weather is wet, certain items of furniture like sofa's or chairs being covered up or put out on the morning of collection and residents notifying the Council at the point of booking if an electrical item is still in working order as well as ensuring it is covered up if the weather is wet.
- 2.3** In addition, better guidance and information is required on the council's website to promote re-use and recycling of bulky items as well as other materials and this will be reviewed and updated during July and August 2019 in consultation with the 3rd party service provider for bulky items. Any additional income from the increase in charges for bulky waste will be used to offset the costs of waste and recycling in Cheltenham including publicity and promotion costs.
- 2.4** If a re-use facility were to be introduced at the household recycling centre at Swindon Road then more small items could be re-used or recycled and this is being reviewed at present.
- 2.5** The results of the public consultation survey carried out between 19 December 2018 and 6 January 2019 indicate that 64.9% of respondents would be prepared to pay £19.50 or more for this service if they knew the items were recycled or re-used where possible.
- 2.6** To support the authority's commitment to reduce waste and increase re-use/recycling, this report therefore recommends an increase in charges from £17.50 per unit to £19.50 per unit which is in line with the results of the public consultation carried out between 19 December 2018 and 6 January 2019 and also brings the price charged for the service closer to the cost of delivering it.
- 2.7** This report also recommends an increase in the bulky waste collection charge from £22.50 for a 5 seat three piece suite, calculated at 1.5 units, to £29.25 for a 5 seat three piece suite with effect from 1 July 2019 to bring this charge in line with the charge increase set out at 2.6 of this report.

3. Alternative options considered

- 3.1** That the council does not increase the charges for the bulky waste collection service. This has been rejected on the basis that there is a requirement to support the environmental priority agreed within the council's corporate plan 2019-2023 and fund additional service costs along with promotion to increase re-use and recycling.

4. Consultation and feedback

- 4.1** The results of the public consultation survey carried out between 19 December 2018 and 6 January 2019 indicate that 64.9% of respondents would be prepared to pay £19.50 or more for this service if they knew the items were recycled or re-used where possible.

5. Performance management –monitoring and review

5.1 Performance in terms of take-up and income generated will continue to be monitored monthly/quarterly as part of the CBC-Ubico performance monitoring arrangements.

Report author	Contact officer: Karen Watson, Client Manager – Environmental Services (Interim), Karen.watson@cheltenham.gov.uk, 01242 264350
Appendices	<ol style="list-style-type: none">1. Risk Assessment
Background information	<ol style="list-style-type: none">1. Government's new waste and resources strategy published on 16 October 2018.2. Motion to Full Council seeking support for a climate change emergency3. Results of the public consultation carried out between 19 December 2018 and 6 January 2019

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 to the charge for the bulky waste collection service is not agreed, then the Authority may be unable to meet its requirement to generate additional income to support service provision and cover the cost of inflation.	Karen Watson	26/4/19	2	5	10	Reduce	Cabinet approves the proposed increase in charge for the bulky waste collection service	1/7/19	Karen Watson	
	If the increase in the bulky waste collection charge is increased, then take up of the service may reduce, resulting in less income for the Authority and less re-use in the borough.	Karen Watson	26/4/19	2	2	4	Accept	The results of the public consultation indicates that this service may not be sufficiently price sensitive to be impacted by this price increase however demand will be closely monitored.	1/7/19	Karen Watson	
<p>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</p>											