

SUBJECT:	FUTURE OF THE GARDEN WASTE COLLECTION SERVICE
MEETING:	CABINET
DATE:	21st OCTOBER
DIVISION/WARDS AFFECTED:	ALL

1. PURPOSE:

- 1.1 The recycling and waste service provision across the County must continually evolve to meet challenging statutory targets, volatile markets and increasing costs. This reports sets out measures that will be necessary to achieve national statutory recycling targets, minimise budget pressures and provide sustainable garden waste services going forward. Following the review commissioned by Cabinet on 20/12/19, this report has full findings of the review for consideration, including changing frequency of collection and change of container for garden waste.

2. RECOMMENDATIONS:

- 2.1 The recommendations for Cabinet are:

- i) To approve the change of frequency of collection of garden waste from weekly to fortnightly.
- ii) To approve the change of container from an 80 litre garden waste bag to a 240 litre wheeled bin.
- iii) To approve an annual charge to customers of £35.

3. Key Issues: Delivery of garden waste service

- 3.1 The chargeable garden waste collection service has now been in operation for over 7 years. The service commenced at £8 per permit per annum and is now £18 for a nine month seasonal service. The price increases over the years have reflected a reduction in grant funding from Welsh Government that helped subsidise the scheme and also a better understanding of cost of delivering the service over several years.
- 3.2 The garden waste service is highly regarded by our 11,600 customers and provides a cost effective alternative to taking garden waste to the household waste recycling centres.
- 3.3 Prior to December 2018, garden waste was co-collected and mixed with food waste and sent to for disposal at an in-vessel composting facility. Due to co-collection, the costs were apportioned by an estimated percentage. In 2018 the council secured a long term food waste

treatment contract with a substantially lower gate fee, producing electricity at a Bridgend Anaerobic Digestion plant.

- 3.4 A separate garden waste treatment contract with a local Abergavenny based company was also secured in 2018. This means that both material streams have been collected separately in 2019 for the first time and therefore collection costs can be accurately determined.
- 3.5 This year's garden waste service collection costs have been calculated at circa £660,000 per annum against income generated at £330,000.
Subsidising garden waste collections across Wales is commonplace. For many authorities it is the only way of achieving the recycling targets and as such services are heavily subsidised. For many residents without transport it is the only way of sending garden waste for treatment.
- 3.6 Balancing the potential recycling fines against the cost of providing the service is clearly important as is providing a highly regarded service at an affordable price.
- 3.7 At a time when the Council is facing unprecedented budget pressures, the organisation needs to ensure that services are being delivered most efficiently and effectively, therefore a review of the garden waste service has taken place and an opportunity identified to reduce service delivery cost and greatly reduce or even remove the £330,000 subsidy completely.

3.8 **Options for Consideration**

Four different service model options were initially investigated:

- A) Weekly reusable bags (the current service)
- B) Fortnightly wheeled bins
- C) Fortnightly bags
- D) Weekly wheeled bins

(With options C and D being subsequently discounted on financial and health and safety grounds as set out below).

3.9 **Financial modelling**

Option A – as is - weekly reusable bags

The modelling within Appendix 1 demonstrates that if we were to remove the full level of subsidy for the current weekly reusable bag service, an annual charge of £36.28 per permit would need to be introduced to fully cover collection costs.

Option A: income required to cover cost of service delivery £660,000.

Option B – fortnightly wheeled bin

The modelling demonstrates that the introduction of a fortnightly service using wheeled bins would require an annual charge to the customer of £29.62 per bin to fully cover costs. This is achieved through a reduction in the number of collection vehicles and crew members.

Option B: income required to cover cost of service delivery £500,000.

Option C - fortnightly bags

The modelling demonstrates an annual charge of £28.82 per permit would be required.

Option C: income required to cover cost of service delivery £525,000.

Option D - weekly wheeled bins

The modelling demonstrates an annual charge of £53.63 per bin would be required.

Option D: income required to cover cost of service delivery £650,000.

The modelling above shows that option D is a particularly expensive option for the customer so was discounted at this stage.

3.10 The modelling shows that a move to a fortnightly collection decreases the cost of providing the service (by up to £160,000). This subsequently means that the charge the authority would need to levy to the customer is significantly lower.

3.11 Table 1 below shows the effect on the level of charge levied per bag/bin on the level of subsidy the council would need to continue to provide:

Potential charges invoked and the effect on covering costs

Fortnightly bins

Charge per bin	Income (based on 16850 bins)	Variation on cost of service (£500k)
£20	£337,000	Subsidise by £163,000
£25	£421,250	Subsidise by £78,750
£30	£505,500	£5,500
£35	£589,750	£89,750 (contingency allowance)

Weekly bags

Charge per bag	Income (based on 18193 bags)	Variation on cost of service (£660k)
£18	£327,474	Subsidise by £332,526
£20	£363,860	Subsidise by £296,140
£25	£454,825	Subsidise by £205,175
£30	£545,790	Subsidise by £114,210
£35	£636,755	Subsidise by £23,245
£40	£727,720	£67,720 (contingency allowance)

Table 1: Charge vs subsidy

3.12 The figures quoted above are based on retaining current customer base and sales. However, a fall in sales with any price increase is likely. A fall in sales will pose a financial risk to eliminating the subsidy as a shortfall in income compared to cost of delivery will be apparent. Therefore, for each option, an additional increase in cost needs to be considered in order to cover the shortfall.

3.13 With a fall in sales in mind, the charges the authority would need to impose to cover costs with a 15% decrease in customer numbers have been modelled. This 15% decrease is

based on the reduction in customers the council has seen with price increases over the past seven years.

These charges are shown highlighted in red within appendix 1 and for example would bring the 'Option A' weekly bag charge to just under £43 and the 'Option B' fortnightly bin option charge to £35.

3.14 The modelling demonstrates that the £35 fortnightly wheeled bin option represents significantly better value for money for our customers than the weekly bag option. The comparative cost per 80 litres for all four options has been included within Appendix 2. It shows that the fortnightly wheeled bin service represents best value for money for the customer, with a lower annual charge (£35 vs £43) and a lower price per 80 litres (59p) than the weekly reusable bag service, which as shown, costs nearly twice as much per litre in comparison. (£1.09)

3.15 Graph 1 below shows the effect on the subsidy the council would need to provide based on the price charged for a bin and the decrease in customer sales.

It shows that a wheeled bin service priced at £35 would generate enough income to cover costs at a 15% reduction in sales.

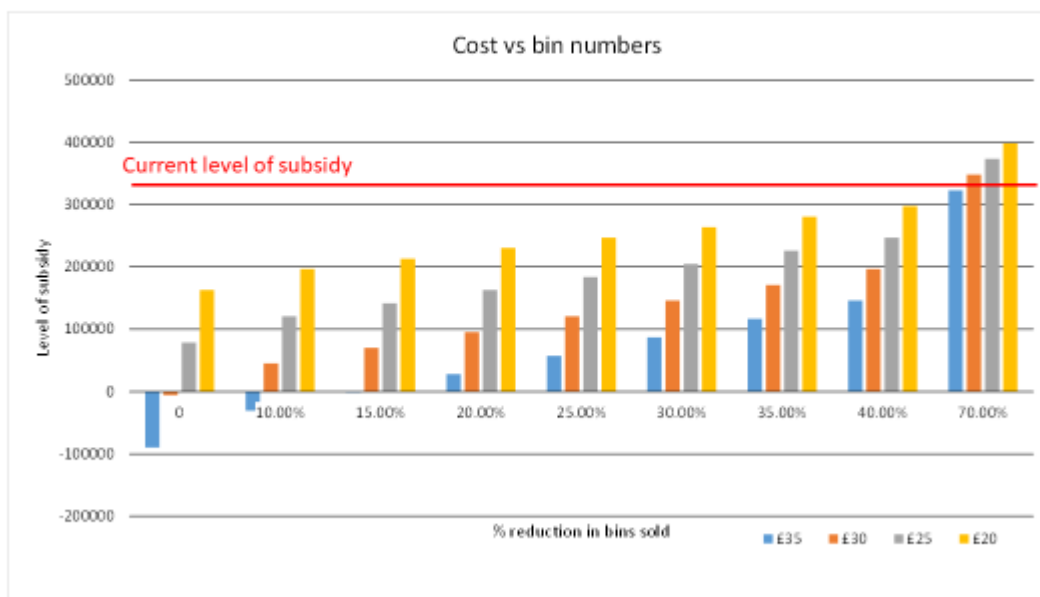
It also demonstrates the effect if the decrease in sales exceeded 15%:

- At 20% reduction, the council would need to subsidise the service by £28,000
- At 25% reduction, the subsidy would be in the region of £57,000
- At 30%, the subsidy would be £87,000

It's not until a 70% reduction is reached that the council would find itself in a similar financial position as it is today with a subsidy required of £323,000.

It should also be noted that if such a significant decrease in sales was seen then the authority wouldn't need the same level of resources to make the collections, so the £500,000 cost of service delivery would decrease therefore reducing the subsidy once more.

Fortnightly wheeled bins – effect of customer 'drop-off'



Graph 1: Effect of sales on level of subsidy required

- 3.16 Most of our neighbouring authorities already recognise that a fortnightly collection in wheeled bins are the most suitable way to collect garden waste.
The proposed £35 charge per year brings us in line with our neighbouring authorities currently charging for garden waste collection; their charges range from £30 to £44. (These charges are included for comparison in appendix 4).

Health and safety

- 3.17 It has been identified that delivering garden waste collections as a stand-alone service with reusable bags (Options A and C) requires very large rounds with increased manual handling for crews, which, could become a potential concern for their health and well-being. Prolonged exposure could bring increased risk of muscular-skeletal injury for our collection crews and we need to mitigate this as far as possible. The manual handling issue would be exacerbated even further with the fortnightly bag 'Option C' as each resident would potentially have twice the amount of bags out for collection each week, it was therefore deemed that Option C was not operationally acceptable and should not be considered further.
- 3.18 Fortnightly collections, using 240 litre wheeled bins (Option B), is best practice and would reduce manual handling for crews therefore reducing risk of injury whilst providing adequate storage for residents.

Public consultation

- 3.19 Consultation with service users in September 2020 (Appendix 5) shows that 54% of respondents stated that they would prefer a fortnightly wheeled bin service.
It also shows that with increased cost, wheeled bins are likely be more financially acceptable over the bagged service as more respondents indicated that they would be prepared to pay more for a wheeled bin service than a bagged service.
Of the 10% of respondents who are not currently a customer, 75% indicated they would prefer a wheeled bin. This may mean we appeal to a new set of customers who have not used the service before.

Environmental

- 3.20 The fortnightly wheeled bin service would mean one less large vehicle on the road and therefore a reduction in emissions and carbon footprint.
The wheeled bins have a lifespan of 10 years. We are currently replacing 12,000 reusable bags every year meaning that 70% only last one year.
Several UK wheeled bin manufacturers exist so they could be procured from within the UK. Currently, only one UK manufacturer of the reusable bags exists and they prices deem them cost prohibitive. The current bags are imported from India and the carbon footprint produced by transporting such goods are significant. A move to a UK manufacturer of wheeled bins would greatly reduce the cost to the environment and prove a more sustainable solution.

Procurement

3.21 New vehicles for the garden waste service need to be procured as soon as possible to replace our current 2012 plate Refuse Collection Vehicles (RCVs) in time for delivery March 2021 therefore a decision is pressing.

4. OPTIONS APPRAISAL - Delivery of garden waste service

4.1 Appendix 2 provides an overview of the four options modelled for the garden waste collection service. Some of the key factors included in Appendix 2 are outlined below:

- **Manual handling issues created by garden waste bags** – The garden bags have always been one of the heaviest waste streams to collect due to the composition of the garden waste, exacerbated once the waste becomes wet. When the garden waste was co-collected with food waste prior to 2018 the manual handling issues were mitigated through reduced exposure to our crews. The collection rounds were arranged so that only around a quarter of properties on each collection round were garden waste customers meaning only food boxes were collected from the majority of households. Following the change of garden waste service to a seasonal standalone service, the collection crew on those vehicles only collect garden waste which could potential contribute to an increase in muscular skeletal issues within our workforce. 2019-20 data shows that muscular-skeletal issues were the highest reason for absence within the waste collection teams. Wheelie bins will alleviate these manual handling issues and will be beneficial for our workforce in the future.
- **Cost** – As outlined above the garden waste service has traditionally been heavily subsidised by the authority but while the garden waste was co-collected with food waste it was difficult to accurately determine the cost of collection of the garden waste. Now the garden waste is collected separately the costs involved with garden waste are much clearer.
To continue the service into 2021 with all subsidy removed the cost per bag (with 15% contingency) would need to be nearly £43, this is a significant increase from the £18 that was charged in 2020.
All of the modelled options for 2021 are a significant increase in cost to the customer but moving to a wheelie bin service would offer our customers the best value for money. As outlined in Appendix 2 due to the increased capacity of a wheelie bin the cost per litre is better value for money than the bag charge.
- **Environmental impact** – The current garden waste service has many issues in terms of its environmental impact; the garden waste bags are replaced very regularly, at the moment 17,000 bags are sold per annum, and of these around 12,000 are replaced each year. That means 70% of bags only last one year.
The average lifespan of a wheelie bin is 10 years, they can be re-used and would become an asset to the authority, if a customer decided not to renew the service, the bin would be collected from them and re-issued to a new customer.
The current service also relies heavily on permits being printed and sent to each customer each year. A wheeled bin service would eliminate the need for permits to be printed as each bin will be fitted with a microchip that will be read by the collection

vehicle at point of collection. The chip reader would inform the crew if the bin should be emptied or not.

The wheeled bins will also be made from at least 90% recycled material and several UK manufacturers exist. This is beneficial from a cost, carbon footprint and future generation's wellbeing basis.

- **Receptacle size**

An identified issue with moving to a wheeled bin service is that some residents may struggle to physically manoeuvre the bin to the kerbside.

We can offer an alternative to these types of customers in the form of the equivalent litreage of reusable bags (3 per fortnight is equivalent to a wheeled bin, 240litres).

Alternatively, if more suitable, we can offer an assisted collection.

These circumstances would be taken on a case-by-case basis and we would work with our residents to find the best solution to meet their needs.

A benefit to a larger storage receptacle would be increased winter storage capacity for the residents who struggle during the winter non-collection months. Residents would be able to fill their bin during the non-collection months and when the service resumed in March it would be collected.

During the Covid-19 outbreak that we have experienced this year we had to suspend the Garden Waste collection service to protect the other key services our residents rely on, if we had wheelie bins in place it may have been easier for our customers. The extra capacity means that they could have continued to fill their bin during lockdown and when services were resumed, the bin would have been emptied with less disruption for our customers.

As a non-statutory service garden waste is going to always be one of the first services to be stopped during an emergency and a wheelie bin could be helpful to our customers moving forward if we do experience additional spikes with the current pandemic or other emergencies in the future.



4.2 Attached as appendix 4 is a comparison of the proposed garden waste service offered by neighbouring authorities.

5. EVALUATION CRITERIA

- 5.1 The criteria used to evaluate the success of these proposals include: a reduced level of subsidy for the garden waste service; customer retention rate; reduction in staff sickness absence resulting from manual handling injuries; lower fuel costs and reduced CO2 emissions from less frequent collections collecting a higher volume of waste

6. REASONS

- 6.1 Long term exposure to lifting the current garden waste bags may lead to muscular skeletal issues and injuries and the transition to a wheelie bin collection service would eradicate the possible problem.
- 6.2 The increased costs associated with reducing the subsidising of the garden waste collection service can be offset by giving our customers a larger capacity for their garden waste. Wheeled bins will be a better value for money service.
- 6.3 Reducing the environmental impact of the garden waste collection service is important for working toward the Council's policy commitment to reduce its carbon emissions and the wellbeing of future generations.

7. RESOURCE IMPLICATIONS

- 7.1 If the authority proceeded with Option B, a fortnightly wheeled bin service, there would be no financial impact on the service. The cost of the wheeled bins would be spread over five years and would be paid for from savings generated from not having to provide permits or bags.
- 7.2 All other savings generated via reduced collection frequency and the unit price increase will need to be re-aligned within the recycling and waste department to offset investment in other service changes such as the roll-out of the polypropylene recycling bags and manage the existing extreme financial budget pressures.
- 7.3 These changes will be made in line with the roll out of polypropylene recycling bags approved by cabinet in 2017 meaning that any operatives affected by the reduction in staffing requirements would be retained by the recycling and waste department and simply move onto an alternative waste collection stream.

8.0 WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING):

- 8.1 The changes to the services proposed or to be considered further as a consequence of this report have significant positive contributions to make to the Wellbeing Goals. In particular it has strong benefits for a Prosperous Wales, by supporting the ongoing development of a low carbon economy. There is also potential to contribute to Cohesive Communities, by working collaboratively and in partnership with our communities to reduce the impact that waste has upon our communities. There are no negative impacts on the Well-being Goals.

8.2 The potential that larger wheeled bins could be difficult for older people or those with disabilities to move was identified. An alternative option identified has been highlighted in the body of the report. There are further no significant positive or negative impacts on the protected characteristics, safeguarding or corporate parenting. The principles of Long term, Prevention, Integration, Collaboration and Involvement have been used throughout the development of these proposals (see Appendix 5).

9.0 CONSULTEES:

- Enterprise DMT 2nd Dec 2019
- Strong Communities Select Committee March 21st 2019, 15th October 2019, 28th September 2020
- Cabinet member
- Frontline collection staff
- Members of the public
- Unions

9.1 Strong Communities Select Committee meeting 28th September 2020

Pre-decision scrutiny took place at the Strong Communities Select Committee meeting on the 28th September.

At this meeting, members of the committee, other councillors and members of the public made comment.

Over 30 members of the public submitted either a written comment or a video.

Some were positive around the potential switch to wheeled bins, of these, some came from residents that had used wheeled bins previously in other authorities and were advocating their use and would welcome them in Monmouthshire.

The majority had concerns, the most frequent ones have been listed below:

- Concerns around wheeled bin capacity – too small or too big
- Street scene – appearance of bins and being left out on streets
- Uneven ground/slopes over which to wheel a bin
- Manoeuvrability/height/weight of bins
- Storage issues particularly for terraced housing
- Moving from a weekly to a fortnightly collection – waste ‘hanging’ around
- The capital cost of wheeled bins
- The increase in cost to residents leading to loss of custom and increased fly-tipping

Members of the select committee and other councillors raised some of the same concerns above and some additional ones, particularly around:

- The effect of a price increase
- Storage issues (particularly with terraced housing)
- Cleaning of receptacles
- Health and safety implications
- Uneven ground and long drives

- Street scene

The question was also raised of whether a choice between a bag and a bin could be offered to residents.

Questions/concerns were addressed at the meeting and a follow up document issued to all councillors for further clarification. This has been included as Appendix 6.

As a result of most select committee members not being in favour of moving to a wheeled bin service, more detail on the financial implications of the move to fortnightly wheeled bins has been included within this report and the significant effect it could have on the waste budget position.

Also, more emphasis on the environmental benefits and the health and safety benefits for collection crews has been included along with alternatives we can offer to those residents who cannot physically manoeuvre a bin or have no storage at the front of their property.

10.0 BACKGROUND PAPERS:

Appendix 1 - Garden waste service cost modelling

Appendix 2 - Options appraisal for garden waste service

Appendix 3 – Public consultation results (September 2020)

Appendix 4 - Garden Waste service comparison with neighbouring authorities

Appendix 5 – Equality and Future Generations Evaluation

11.0 AUTHOR:

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