



Portfolio Holder Report

The portfolio holder will make a decision on this item after seven days have elapsed (including the date of publication).

Report of:	Portfolio Holder	Date of publication
Mark Billington, Service Director People and Places	Councillor Simon Bridge, Street Scene, Parks and Open Spaces	26 September 2019

Green Waste Collection Service Fees and Charges

1. Purpose of report

- 1.1 To confirm the fees and charges for the green waste collection service for 2020/21.

2. Outcomes

- 2.1 The continued provision of a collection service for green waste.

3. Recommendations

- 3.1 The fee for annual green waste subscriptions made by customers using the Direct Debit facility remains at £30 per bin per annum (58p per week). Additional bins subscribed for at the same time remain £25 per bin per annum with effect for collections for the subscription year 1 May 2020/21.
- 3.2 That the fee for green waste subscription is increased to £35 per bin per annum (67p per week) for single year subscriptions made online, by post, cheque, or in person. Additional bins subscribed for at the same time remain £25 per bin per annum with effect for collections for the subscription year 1 May 2020/21.

4. Background

- 4.1 In December 2015 Cabinet agreed to introduce an annual fee for the collection of green waste following the reduction in funding and subsequent cessation of funding from Lancashire County Council (LCC) for recycling and the continued reduction central grant funding. The service changed to subscription only from 1 May 2016.

- 4.2 This fee enabled the service to continue to be offered to those who wished to receive a kerbside green waste service recognising that many properties did not have a garden and therefore no use of the service.
- 4.3 Customer take up for the service has been high and has increased each year since its introduction, but has not bridged the funding gap following the cessation of the cost sharing income previously paid to the council by LCC (£1,015,499 per annum on average). From the outset, subscriptions have been encouraged through online methods to reduce the costs and administrative process where possible. Following feedback from customers and Members, an online direct debit option was introduced in 2018 to assist in streamlining the process for both customers and the council.

5. Key issues and proposals

- 5.1 There has been no change to the fees since the introduction of the service in 2016; whilst the service collection and administration costs have increased.
- 5.2 It is proposed to increase the cost of the subscription to reflect the increase in service and administration costs; whilst freezing the fee to customers signing up via Direct Debit recognising the reduced administration and marketing required for this method. This incentive is hoped to encourage more customers to sign up to the online direct debit option which would enable the renewal process to be streamlined and minimise costs; similar to that of other service related industries.
- 5.3 Since Wyre introduced a fee, many other Lancashire authorities have followed suit, with some annual subscriptions costing up to £40 per bin per annum. West Lancashire and Burnley are the only other authorities offering a reduced fee for additional bins and Wyre has the shortest stoppage over the winter period, with many now moving to a suspension of three months.

6. Delegated functions

- 6.1 The matters referred to in this report are considered under the following Executive Function delegated to the Street Scene, Parks and Open Spaces Portfolio Holder (as set out in Part 3 of the Council's Constitution): "To consider arrangements for the design and provision of services for refuse collection, street cleansing, and litter control (including beach and foreshore cleaning) and to determine charges or fees for any relevant services operated within the Portfolio".

Financial and legal implications	
Finance	The change in fee structure will reflect the reduced administrative burden for those customers signing up via direct debit.

	<p>The fee structure is designed to contribute to the administration of collecting green waste income, reflected by the lower cost of direct debit subscriptions.</p> <p>The increase in fees will assist in further bridging the funding gap resulting from the withdrawal of the cost sharing arrangement with LCC. The current estimates reflect a target income of £740,250 in 2019/20 which compares to the 2018/19 outturn achieved of £736,795. Actuals in 2019/20 as at the end of August 2019 are in line with the 2018/19 outturn with subscriptions still being taken.</p> <p>Current uptake for Direct Debit is approximately 20% of customers. It is difficult to quantify the financial implications given the number of variables regarding subscriptions.</p> <p>The Original Estimate for 2020/21 has not yet been set but based on the current budget of £740,250 the following scenarios show what the impact could be:</p> <p>If 40% of subscribers sign up to Direct Debit (currently 19.3%) and the remaining 60% by other single year means, this could generate an annual income of £795,300.</p> <p>This would be made up of (estimated) income from potential DDs = £264,220, income from other payment methods = £462,380 and income from second bins = £68,700.</p> <p>If 80% of subscribers sign up to Direct Debit and the remaining 20% by other single year means, this could generate an annual income of £751,260.</p> <p>In this example, the total would be made up of (estimated) income from DDs = £528,430, income from other payment methods = £154,130 and income from second bins remains the same at £68,700. A cautious approach will be reflected in the budget setting process and monitored throughout the year with an initial increase of £11,010 on the base budget for 2020/21.</p>
Legal	<p>A council may recover a reasonable charge for the collection of green or garden waste under Section 4 of the First Schedule of the Controlled Waste (England and Wales) Regulations 2012 and s.45(3) of the Environmental Protection Act 1990</p>

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
sustainability	x
health and safety	x

risks/implications	✓ / x
asset management	x
climate change	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

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List of background papers:		
name of document	date	where available for inspection
None		

List of appendices

None

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