



REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE – 13TH DECEMBER 2016

**SUBJECT: CHARGES FOR REPLACEMENT WASTE COLLECTION
CONTAINERS**

REPORT BY: CORPORATE DIRECTOR - COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To update members on the impact of the charging regime for replacement domestic waste containers which was introduced on 1st April 2015 and outline options for future consideration.

2. SUMMARY

- 2.1 On 25th February 2015, as part of the Council's budget setting process and medium term financial strategy members decided to introduce a charge for all replacement domestic waste containers (excluding food waste caddies and containers taken/damaged by the waste collection crew). These charges were implemented on 1st April 2015.
- 2.2 The MTFP saving associated with the charges totalled £60,000 and this was consequently removed from the waste strategy and operations budget.
- 2.3 The total saving of £60,000 has been met by a combination of income (£35,000 - £40,000 per annum) and a reduction in the number of bins issued (£30,000 - £35,000).

3. LINKS TO STRATEGY

- 3.1 The Wellbeing of Future Generations (Wales) Act 2015 is about improving the social, economic, environmental and cultural wellbeing of Wales. It requires public bodies to think more about the long-term, working with people and communities, looking to prevent problems and take a more joined up approach. This will create a Wales that we all want to live in, now and in the future. The Act puts in place seven well-being goals:

- A prosperous Wales
- A resilient Wales
- A healthier Wales
- A more equal Wales
- A Wales of cohesive communities
- A Wales of vibrant culture and thriving Welsh language
- A globally responsible Wales
-

The content of this report links into two i.e. A prosperous Wales and a globally responsible Wales.

- 3.2 The Community & Leisure Services Divisional Service Plan contains specific objectives to meet a range of statutory and non-statutory targets. The plan also outlines the divisions' contribution to the Authority's medium term financial strategy.

4. THE REPORT

- 4.1 As part of the Council's budget setting process and medium term financial strategy members agreed to the introduction of a charging policy for all replacement domestic waste containers, which was implemented on 1st April 2015.

- 4.2 The current charges are as follows:

Brown Recycling Bin (all sizes)	£25
Green Refuse Bin (all sizes)	£25
Recycling Box	£6
Garden Waste Sacks	£3

There is no charge for replacement internal/external food waste caddies.

- 4.3 The only exception to the above charges is if the waste container is taken/damaged by the collection crew. In these circumstances (following investigation and confirmation by the supervisor) the container is replaced free of charge. Additionally, there is no charge for residents wishing to exchange a 240 litre bin for a smaller 140 litre bin.
- 4.4 The introduction of the charges has led to a significant reduction in the total amount of service requests received for replacement containers as outlined below in Table 1:

Table 1 - Replacement Waste Containers

Container Type	Number of Requests			
	2013/14 (Prior to current charging system)	2014/15 (Prior to current charging system)	2015/16*	2016/17 (April 1st – Sept 30 th)
Refuse Bin 140 litres	97	87	55	27
Refuse Bin 240 litres	1,714	1844	1,147	529
Refuse Bin 360 litres	39	27	43	24
Recycling Bin 140 litres	323	312	36	23
Recycling Bin 240 litres	2,316	2146	807	444
Recycling Boxes	214	312	116	60
Garden Waste Sacks	5,700	5,600	1,322	614
Total	10,403	10,328	3,526	1,721

* charges introduced

- 4.5 The number of requests for the standard 240 litre replacement refuse bins has reduced by approximately 37%. Recycling bin requests reduced by approximately 60% and requests for garden waste sacks have reduced by 75%. It is anticipated that there are several reasons for this decrease. Residents are advised that they can use alternative containers e.g. sacks for waste storage so it is anticipated that some residents are choosing this option or using the household waste recycling centres. Additionally, there may have been an increase in ownership/security with residents opting (as recommended) to remove bins from the highway and mark them with the house number. Finally, it is anticipated that there has been a

decrease in the amount of properties with additional waste containers and in trade abuse where commercial premises may have acquired containers without following the correct procedures.

- 4.6 Many other S.E. Wales authorities e.g. Torfaen, Cardiff & the Vale of Glamorgan have also implemented a charging regime for replacement waste containers (Table 2). Whilst we received a few complaints from residents initially regarding the charges this has reduced considerably as the charges have become embedded. There is no data for informal “complaints” received as the majority of these are dealt with by the contact centre and the informal opinion of members of the public is not recorded. In relation to formal complaints there were 2 in 2015/16 and 1 in 2016/17. This includes one that proceeded on to the ombudsman who upheld in favour of the Authority. Additionally, there have been approximately 5 complaints from elected members on behalf of their constituents.

Table 2 - Other Local Authority Replacement container charges

Local Authority	Replacement charge
Cardiff	Refuse - £25 Recycling - Free Garden waste bags - £2 Garden waste bin - £25 Food caddy - Free
Vale of Glamorgan	Refuse (sacks) Recycling bags - £2 Recycling box - £2 Garden waste - £2 Food caddy - £1
Torfaen	Refuse - £20 (All other waste containers/bags are free of charge) Suite of containers for new properties - £55

- 4.7 The income achieved from the replacement bin policy is included in table 3 below. This includes refuse, recycling and garden waste containers. Additionally, the total number of bins issued has halved between 2014/15 and 2015/16, saving circa £30,000 - £35,000 in purchase costs. If Members opt to re-introduce free replacement containers the current income will be lost and there will be a shortfall in the container budget as it is anticipated that the number of requests will increase to 2014/15 levels. Alternatively, if the charge for a replacement container is reduced this will reduce the level of income generated. It is not known what effect this will have on the number of requests received, although it is assumed they will increase.

Table 3 - Replacement Container Income

	2013/14	2014/15	2015/16	2016/17 April 1 st – Sept 30 th
Refuse	£14,798	£15,727	£19,666	£9,487
Recycling	0	0	£13,854	£7,051
Garden Waste	0	0	£4,284	£3,400
Total	£14,798	£15,727	£37,804	£19,938

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 The report contributes to the well-being goals as set out in the Links to Strategy above. The current charging policy for replacement bins is consistent with the five ways of working as defined within the Sustainable Development principle in the Act. It takes into account the importance of balancing short-term needs with the need to safe-guard the ability to also meet

long-term needs by ensuring the amount of containers is limited and householders act responsibly. It also outlines how the Authority is acting to prevent issues occurring and is striving to safeguard resources.

In terms of integration the policy impacts positively on the well-being goals. In relation to collaboration and involvement the charging policy was subject to a period of public consultation.

5.2 In respect of the seven well-being goals this report contributes to at least two.

1. **A prosperous Wales:** The current charging policy for replacement bins encourages the efficient use of resources by promoting the safe keeping and re-use of containers, If containers were issued free of charge it would have a negative impact on this goal.

2. **A globally responsible Wales:** The reduction in replacement containers being issued makes a positive contribution to global well-being in terms of limiting the use of resources in the manufacturing and distribution process. If free containers were issued, it is anticipated that the number of requests would increase and this would have a negative impact on this goal.

6. EQUALITIES IMPLICATIONS

6.1 There are no potential equalities implications associated within the report for specific groups or individuals. Therefore there is no requirement for an Equality Impact Assessment to be undertaken.

7. FINANCIAL IMPLICATIONS

7.1 The income achieved from the replacement bin policy was £37,804 for 2015/16 and £19,938 for 2016/17 (April-September). Additionally, the Authority has saved circa £30,000 - £35,000 in bin purchase costs. When the income and reduction in bin purchase costs is combined the saving is circa £60,000 - £70,000 ie: it covers the amount of budget lost as part of the 2015/16 MTFP.

7.2 The table below details the potential impact of re-introducing free or reduced rate replacement containers.

Table 4 – Potential impact on re-introducing free or reduced rate replacement containers

	Number of Requests per annum	Income Level	Container Purchase Savings	Level of Budget that would need to be re-instated
Option 1 (Current charges)	Circa 3,500	£35,000 - £40,000	£30,000 - £35,000	0
Option 2 (Free Replacement Containers)	Circa 10,000	0	0	£60,000
Option 3 Reduction in bin charges to: £15/Bin	Unable to quantify effect of reduced charges on number of bins issued.	£14,000 - £19,000 If numbers remain at 15/16 levels.	Unable to quantify effect of reduced charges on number of bins issued.	Unable to quantify effect on numbers of containers issued so

£10/Bin		£3,500 - £8,500 If numbers remain at 15/16 levels.		impossible to quantify accurately.
---------	--	--	--	------------------------------------

7.3 Re-introducing free replacement waste containers or reducing charges will lead to the loss of income combined with an increase in costs. This will require a review of the savings needed from the service as part of the MTFP process going forward.

7.4 In order that Members can fully understand the implications of having to re-instate the £60,000 budget saving the following are examples of alternative savings that could be introduced to offset the £60,000 budget re-instatement:-

- (i) Reduce number of street cleansing staff by 3 or,
- (ii) Closure of one Civic Amenity Site or,
- (iii) Closure of all CA Sites on 1 additional day per week.

In addition, there are potential staff costs which are outlined in Section 8. below.

7.5 In view of the financial implications with changing this charging policy, the view of officers is that the current charging scheme should remain in place.

8. PERSONNEL IMPLICATIONS

8.1 As the service has reduced its staffing complement over the last 2 years, if members decide to reintroduce free replacement containers and there is a significant increase in requests (returning to 2014/15 levels) an additional delivery crew will be required as there is now no flexibility in the remaining workforce to assist with container deliveries. An additional member of staff and vehicle equates to a cost of £40,000 - £50,000 per annum.

8.2 Additional staff will also have an impact on the costs/savings figures as it is likely that the reinstatement of the £60,000 budget will be insufficient to cover the increases in costs.

9. CONSULTATIONS

9.1 The report reflects the views of the consultees.

10. RECOMMENDATIONS

10.1 The views of the Scrutiny Committee are sought on the options outlined within this report.

10.2 If the Committee is minded to change the current charging policy then it is proposed that they make a specific recommendation to Cabinet to be considered as part of the 2016/17 budget and MTFP process.

11. REASONS FOR THE RECOMMENDATIONS

11.1 To seek the views of the Scrutiny Committee.

12. STATUTORY POWER

12.1 Environmental Protection Act 1990, Local Government Acts.

Author: Hayley Jones, Principal Waste Management Officer
e-mail: joneshm1@caerphilly.gov.uk Tele: 01443 863153

Consultees: Christina Harray, Corporate Director - Communities
Tony White – Waste Strategy & Operations Manager
Mark Williams, Head of Community & Leisure Services
Councillor Nigel George – Cabinet Member for Community & Leisure Services
Mike Eedy – Finance Manager
Gail Williams, Interim Head of Legal Services & Monitoring Officer
Anwen Rees, Senior Policy Officer (Equalities and Welsh Language)
Liz Lucas, Head of Procurement
Paul Cooke, Senior Policy Officer
Lynne Donovan, Acting Head of Human Resources and Organisational
Development
Stephan Harris, Interim Head of Corporate Finance

Background Papers:

Special Meeting of Council, 25th February 2015 - "Budget Proposals 2015/16 and Medium Term Financial Strategy 2015/2018"