



REGENERATION AND ENVIRONMENT SCRUTINY COMMITTEE - 12TH FEBRUARY 2019

SUBJECT: CHARGES FOR REPLACEMENT WHEELED BINS FOR RECYCLING

REPORT BY: INTERIM CORPORATE DIRECTOR - COMMUNITIES

1. PURPOSE OF REPORT

- 1.1 To examine the financial implications of a means tested approach towards the charging regime for replacement recycling bins.

2. SUMMARY

- 2.1 At its meeting of 13th February 2018 Regeneration and Environment Scrutiny Committee considered a Notice of Motion submitted by Councillor Kevin Etheridge regarding charges for wheeled recycling bins. The Committee requested that this further report be prepared for consideration by the Scrutiny Committee to examine the financial implications of a means tested approach towards the charging regime for replacement recycling bins.
- 2.2 On 25th February 2015 the Council decided to implement charges for all replacement waste containers (excluding food waste caddies and containers taken/damaged by the collection crew). No concessions are currently available. The Charging Policy has been successful in putting a value and a sense of ownership on wheeled bins thereby reducing the amount of misuse of bin supplies and helped to reduce the financial burden on the Authority.
- 2.3 Members are reminded that the issue of charging for replacement waste collection containers was considered by the Regeneration and Scrutiny Committee on 13th December 2016. At that time it was resolved that the current charging policy for replacement waste collection containers be retained.
- 2.4 If a concession for recycling bins were to be introduced this would reduce the level of income received and it is anticipated would significantly increase the numbers of requests for replacement containers. There would also be costs associated with changes to IT systems to allow for concession charge reductions and an increase in administrative staff time associated with the variable charging scheme and the anticipated increase in requests. The call centre do not currently have the resource to administer a concessionary charging scheme and would require at least 1 more full time equivalent position within the CRM team to undertake the necessary duties.
- 2.5 In view of the significant cost implications of introducing a concessionary charge it is recommended that the current charging system with no concessions is retained.

3. LINKS TO STRATEGY

- 3.1 The notice of motion meets the criteria set out in the Council's Constitution and in accordance with the Council's Rules of Procedure.

- 3.2 The current charging system contributes to providing more efficient and effective services, whilst enabling the Authority to continue to meet the statutory recycling targets. With diminishing budgets the charging system allows the Authority to continue to provide a sustainable service to residents.

A sustainable waste management service contributes to the following Well-being Goals in the Well-being of Future Generations (Wales) Act 2015:

- A prosperous Wales;
- A resilient Wales;
- A healthier Wales;
- A more equal Wales;
- A Wales of cohesive Communities;
- A globally responsible Wales.

4. THE REPORT

- 4.1 At its meeting of 13th February 2018 Regeneration and Environment Scrutiny Committee considered a Notice of Motion submitted by Councillor Kevin Etheridge regarding charges for wheeled recycling bins. The Committee requested that this further report be prepared for consideration by the Scrutiny Committee to examine the financial implications of a means tested approach towards the charging regime for replacement recycling bins.
- 4.2 The current charging system has been in place since 2014/15 and has become embedded into current service delivery. The policy places a sense of ownership and responsibility on the resident who is more likely to keep containers safe, resulting in fewer bins being lost, stolen or damaged. The policy also reduces the likelihood of bins being left on the highway between collections, which pose a health and safety hazard. Since the charges were introduced the Authority has seen a significant drop in the number of requests for replacement containers (Table 1).

Table 1 – Replacement Waste Containers

Number of Requests

<u>Container Type</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>
Refuse bin 140 litres	97	87	55	27	17
Refuse bin 240 litres	1,714	1,844	1,147	806	728
Refuse bin 360 litres	39	27	1	0	0
Recycling 140 litres	323	312	36	39	52
Recycling 240 litres	2,316	2,146	807	851	811
Recycling boxes	214	312	116	43	45
Garden waste sacks	5,700	5,600	1,322	723	755
Total	10,403	10,328	3,484	2,516	2,408

2013/14 - No charging policy

2014/15 - Charges for refuse bins only

2015/16 - Charges introduced for all receptacles

- 4.3 It is clear that since the implementation of the charge the number of requests for replacement containers has dropped dramatically and helped us to manage our resources more sustainably.
- 4.4 Other options are available for residents who do not wish to purchase new recycling containers at the cost of £25.50; residents are able to purchase their own clear sacks or use boxes for the storage of recyclable materials in readiness for the weekly kerbside collection service. With various other options available there should be no requirement to introduce concessions. Residents also have the option of taking their waste to any of our Household Waste Recycling Centres. It is worth noting that Cardiff have the same bin charge i.e. £25, whilst Rhondda Cynon Taff, the Council with the most deprivation per head of population in Wales, implement a charging policy for new and replacement wheeled bins at £30 with no concessions. These two Authorities are useful examples as they have similar demographic characteristics to Caerphilly CBC and thus similar scales of service delivery.
- 4.5 If the charge for replacement containers is reduced this will lower the level of income generated. Although it is not known what effect this will have on the number of requests, it is assumed that it will increase. This would result in lost income and a potential shortfall in the container budget. £26,731 was generated from recycling bin/box requests in 2017/2018 as there are an estimated 18,000 claimants receiving means tested benefits such as Housing Benefit and Council Tax Reductions throughout the county borough.
- 4.6 There are two potential processes for verifying documentation and eligibility for concessions:
- Original Eligibility Documentation (proof of address and eligibility):
- Original documentation would need to be provided face to face
 - Payment can then be taken
 - Bin arranged for delivery
- Copy of Eligibility Documentation (proof of address and eligibility):
- Send the documentation to us via email
 - Verify the documentation with the relevant department(s)
 - Call customer for payment
 - Bin arranged for delivery.
- The extra administrative work could be considerable and as outlined above would require extra staff to process such a scheme.
- 4.7 Concessions are used within the Authority but are unique to those service areas. We have over 79,000 residential properties across the county borough and the scale of our service is not comparable with the specialist services such as Pest Control. Furthermore, the resources required to administer a concession scheme would be onerous.
- 4.8 Taking Pest Control (wasps/mice/flea treatments) as an example, in order to be eligible for a concession the resident must be in receipt of means tested Universal Credit or Guaranteed Pension Credit. The resident would pay 50% of the total charge for the service and the visiting pest control officer would then verify their documentation. However, if no documentation can be provided the remaining balance would be invoiced to the resident. Environmental Health received 751 requests for a paid service over a 12 month period, 51 of those applied for a concession rate. However, it is estimated that the figure for concession rate applications for a replacement recycling bin to be considerably higher (in the region of 3000 requests).
- 4.9 If the Council were to introduce concessions for replacement recycling bins the process would be time consuming for both the customer and staff. In contrast to the Pest Control Service where treatments are understandably only undertaken with the customer present this is not the case for replacement bin deliveries.

- 4.10 In view of the significant cost implications of introducing a concessionary charge it is recommended that the current charging system with no concessions is retained. Members are reminded that the issue of charging for replacement waste collection containers was also considered by the Regeneration and Scrutiny Committee on 13th December 2016. At that time it was resolved that the current charging policy for replacement waste collection containers be retained.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 The delivery of a sustainable waste management service contributes to the Well-being Goals as set out in the Links to Strategy above.
- 5.2 The charging policy for replacement containers encourages the efficient use of resources by promoting the safe keeping and re-use of containers. If containers were issued at a significantly reduced cost it would have a negative impact on this goal. The long-term effect of this may be a significantly higher cost of replacement containers for the Authority.

6. EQUALITIES IMPLICATIONS

- 6.1 An EIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance. No potential for unlawful discrimination and/or low level or minor negative impact has been identified; therefore a full EIA has not been carried out.

7. FINANCIAL IMPLICATIONS

- 7.1 The budget setting process for the 2015/16 financial year included a £60,000 reduction relating to replacement container charges. This budget saving has been achieved fairly seamlessly via a combination of reduced requests for replacement containers and income received.
- 7.2 With no changes to the current policy there will be no financial implications. However, if a concession for recycling bins was introduced there will be financial implications involved for IT to amend their systems to allow for concession charge reductions. Additionally, the level of income generated from the issue of recycling containers would decrease. Furthermore, there would be an increase in administrative work if concessions were introduced and we anticipate there would be an increase in replacement bin requests which has an adverse effect on the costs for purchasing bins. The call centre would not have the resource to administer this charging scheme and would require at least 1 more full time equivalent position within the CRM team to undertake the necessary duties.
- 7.3 An income of £26,731 was received from recycling bin/box requests in 2017/2018. If replacement bins were to be issued at a free of charge concessionary rate to those on means tested benefits it is estimated that approximately 40% of residents would be eligible, resulting in a reduction of income of £10,700 (based on present request rates). However, as requests for replacement bins prior to the introduction of the current charge were some three times the amount received after the charge was introduced it is anticipated that there would be a three-fold increase in replacement recycling bin requests. Assuming that these additional bin replacement requests came from those eligible for a concessionary free bin then the Authority would also incur additional bin purchase costs of at least £ 30, 000. Moreover once word gets out about free bins being issued we anticipate an upsurge in requests too. There would also be additional staff and vehicle costs to meet the increase in replacement bin deliveries.
- 7.4 If the Scrutiny Committee are minded to recommend a concession scheme to Cabinet as part of the 2019/20 budget setting process then the replacement bin budget will need to be increased in addition to budget growth being required for back office administration of the scheme. Savings elsewhere (in the region of £40,000 - £50,000) would need to be found to offset these increases.

8. PERSONNEL IMPLICATIONS

- 8.1 The proposal could not be facilitated with the current resource at the call centre. The development of a concession is likely to require a minimum of 1 new member of staff to administer the process as well as manage the inevitable deluge of requests for concessions on other containers (notably wheeled bins for refuse).

9. CONSULTATIONS

- 9.1 The report has been sent to the consultees listed below and all consultation responses have been incorporated in the report.

10. RECOMMENDATIONS

- 10.1 Members are asked to consider the contents of the report and support the retention of the current charging system with no concessions.

11. REASONS FOR THE RECOMMENDATIONS

- 11.1 To ensure that the Authority i) does not lose income ii) does not put extra pressure on the administration services (extra work load for this service element will require more staff to process requests) iii) does not compromise the sustainable management of stock.

12. STATUTORY POWER

- 12.1 Local Government Act 2000 and Environmental Protection Act 1990.

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Consultees: Hayley Jones, Waste Strategy and Operations Manager
Councillor Nigel George, Cabinet Member for Neighbourhood Services
Mark S. Williams, Interim Corporate Director of Communities
Rob Hartshorn, Head of Public Protection, Community & Leisure Services
Rob Tranter, Head of Legal Services and Monitoring Officer
Mike Eedy, Finance Manager
Anwen Cullinane, Snr Policy Officer -Equalities, Welsh Language & Consultation
Shaun Watkins, HR Manager
Liz Lucas, Head of Customer and Digital Services

Background Papers:

Regeneration & Environment Scrutiny Committee 13th February 2018 – Provision of Recycle Bins to Residents