

## CABINET

15 November 2022

### GREEN WASTE CHARGES FOR 2023/24

#### Report of the Portfolio Holder for Communities, Environment and Climate Change

Strategic Aim:	Customer Focused Services	
Key Decision: Yes	Forward Plan Reference: FP/141022	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr Marc Oxley , Portfolio Holder for Communities, Environment and Climate Change	
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Ward Councillors	All	

#### DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the proposed annual charge of £50 per bin for the 2023/24 financial year.
2. Authorises the Director for Resources, in consultation with the Cabinet Member with portfolio for Environment and climate change, to revise as necessary the terms and conditions associated with the implemented chargeable service for the kerbside collection of green waste.

#### 1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to request approval of revised charges for Green Waste collections in 2023/24 and outlines proposals to set the annual charge per bin at £50 per bin for online subscriptions. An alternative option to retain differential charging to account for the additional support costs if paying by telephone or cheque is also considered.
- 1.2 The report seeks authorisation for the Director for Resources, in consultation with the Cabinet Member with portfolio for Environment and climate change, to revise as necessary the terms and conditions associated with the implemented chargeable service for the kerbside collection of green waste.

## 2. BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 Green Waste charges were introduced in 2018/19 to ensure that the Council was able to recover the costs of providing the opt in collection service to residents.
- 2.2 Between 2018/19 and 2020/21 the annual fee was set at £35 per subscription. In 2021/22 this increased to £40. There is a discount of 25% available to households in receipt of Local Council Tax Support. This has applied across all years of the scheme
- 2.3 At the meeting of 18<sup>th</sup> May 2021, Cabinet considered proposals for budget savings and set principles to follow in making those proposals. Full recovery of costs aligns with those agreed principles of charging for services where we can and green waste charges were proposed at savings reference PLA-017.
- 2.4 Subsequently, Cabinet made the decision on Fees and Charges at its meeting of 28th February 2021 when differential charging was introduced in recognition of the additional cost attributable to phone and in person applications.
- 2.5 To reflect the increase in costs of collection following the contract extension with Biffa the cost per subscription was also raised to £45 for online subscriptions and £48 for phone subscriptions in 2022/23. The increased charge reflects the cost of inflation and additional contract costs for 22/23. The additional charge for phone subscriptions covered the additional support costs incurred for phone transaction and encourage online registration.
- 2.6 The following table 1 provides an overview since the beginning of the scheme in 2018/19:

**Table 1**

<b>Year</b>	<b>Number of subscriptions</b>	<b>Charge made to customers</b>
2018/19	11,835	£35
2019/20	12,126	£35
2020/21	12,818	£35
2021/22	13,264	£40
2022/23 (to date)	12,983	£45 -online and Direct Debit payment £48 – telephone and cheque payments

(\*no agency staff were used in 2020/21 due to Covid. From 2021/22 onwards a sum has been paid to Customer Services for them to provide the service)

## 3. CURRENT SUBSCRIPTION CHARGE BREAKDOWN & BENCHMARKING

- 3.1 Table 2 shows the breakdown of current budgeted expenditure for green waste collections and demonstrates that the current level of charge for 2022/23 of £45 for online subscriptions (and £48 for telephone and cheque subscriptions) enables the Council to recover costs of providing the collection service.

**Table 2: 2022/23 budget**

Operational Costs	£459,700
Directorate Management Costs	£43,400
Corporate Support Costs	£80,000
<b>Total Expenditure</b>	<b>£583,100.00</b>
<b>Current number of subscriptions (October 2022)</b>	<b>12983</b>
<b>Cost per bin (no. of subs divided by the total cost)</b>	<b>£44.91</b>

3.2 The Directorate Management costs relates to the allocation of staffing within Places and Environmental Services for green waste collection services. Corporate costs is an allocation from Council support services including staffing and property costs. This figure is allocated as per Government Revenue Outturn Returns.

3.3 On comparison with Rutland's Experian Mosaic near neighbours, our current level of charge puts Rutland at the lower end of the charging scale with similar local authorities providing the service. The lowest charge being made is set at £42 per subscription in South Northamptonshire, Stratford-upon Avon and Daventry and the highest being Melton at nearly £85 per bin via Biffa Green Waste Club. Some of our nearest neighbours such as Maldon, charge a one-off fee to cover the cost of the bin, in addition to a similar annual subscription fee. Details of green waste charges in place for 2022/23 for Rutland Experian Mosaic near neighbours are shown in Appendix A.

#### **4. 2023/24 SUBSCRIPTION CHARGES**

4.1 The increase in cost is in line with additional inflation costs and no other additional expenditure is anticipated. Providing that subscription numbers remain at similar levels to this year, the Council should be in a position to recover costs of the collection service provision. The increase in subscription charge, however, in conjunction with the current cost of living crisis could lead to a drop in subscription numbers as this is an opt-in service. This would mean that that the subscription cost would need to be higher to fully recover costs of the service provision.

4.2 Demand is also often dependent on weather and growing conditions. This year the weather has been particularly dry meaning that green waste tonnages have reduced. This is likely to have had an impact on subscription numbers.

4.3 Based on current inflation of 10% on total expenditure for 2023/24, the impact of a reduction in subscription numbers (by 5% and 10%) has been modelled and compared with subscription numbers remaining stable, as shown in table 3 below.

4.4 It is proposed to set a flat charge at £50 per bin assuming that there will be similar numbers of subscriptions in 2023/24 with similar numbers making online payments.

**Table 3, 2023/24 budget: Showing impact of variation in number of subscriptions**

	<b>current subscription numbers</b>	<b>5% reduction in subscriptions</b>	<b>10% reduction in subscriptions</b>
Operational Costs	£505,670	£505,670	£505,670
Directorate Management costs	£47,740	£47,740	£47,740
Corporate Support costs	£88,000	£88,000	£88,000
	<b>£641,410.00</b>	<b>£641,410.00</b>	<b>£641,410.00</b>
<b>Predicted number of subscriptions</b>	12983	12334	11543
<b>Cost per bin (no. of subs divided by the total cost)</b>	£49.40	£52.00	£54.89

## 5. CONSULTATION

- 5.1 The above recommendations have not been subject to public consultation.
- 5.2 There is no statutory duty to consult and that the council can demonstrate it has exercised fairness because:
- a. It is an optional service
  - b. Alternative options for green waste disposal are available
  - c. The proposed fee is reasonable and proportionate
  - d. Residents on Local Council Tax Support are entitled to a 25% discount

## 6. ALTERNATIVE OPTIONS

- 6.1 An alternative to the proposed fee, in light of the current cost of living crisis, would be to freeze charges at £45 (£48 for telephone and cheque payments) for 2023/24 and implement the increased charge of £50 from 2024/25.
- 6.2 Another alternative option is to retain the differential in charging to reflect the additional cost of processing telephone or cheque payments and approve an annual charge of £50 per bin for online subscriptions and £53 if paying by telephone or cheque for the 2023/24 financial year.
- 6.3 The council could also impose a higher fee to off-set the risk of not fully recovering costs of the service if subscriptions were to fall next year.

## 7. FINANCIAL IMPLICATIONS

- 7.1 With the proposed charge of £50 per subscription, and subscription numbers remaining stable, the Council expects to recover the majority of costs associated with providing the collection service.
- 7.2 If subscription numbers were to reduce, there is a risk that costs may not be fully

recovered without further increasing the subscription charge to £55.

## **8. LEGAL AND GOVERNANCE CONSIDERATIONS**

8.1 Section 45(3) of the Environmental Protection Act 1990 states 'no charge shall be made for collection of household waste except in cases prescribed in regulations made by the Secretary of State'. Section 4 of Schedule 1 of the Controlled Waste (England and Wales) Regulations 2012 states that charges may be made for collection of garden waste (also referred to as green waste). This was therefore the legal basis for the introduction of charging.

8.2 Section 45(3) of the Environmental Protection Act 1990 also states that the authority may recover a reasonable charge for the collection of waste from the person who made the request. The Council has therefore set annual charges with the intention of recovering associated operation contract costs, overheads and administration costs, with the exception of disposal costs which as per the legislation, are not recoverable. The Council cannot profit from charging for the collection service

## **9. DATA PROTECTION IMPLICATIONS**

9.1 A Data Protection Impact Assessments (DPIA) has been completed. No adverse or other significant risks/issues were found. A copy of the DPIA can be obtained from Emily Frikha -efrikha@rutland.gov.uk

## **10. EQUALITY IMPACT ASSESSMENT**

10.1 No adverse impacts have been identified.

10.2 A 25% discount will continue to be available to residents in receipt of Local Council Tax Support.

## **11. COMMUNITY SAFETY IMPLICATIONS**

11.1 There are no Community Safety implications from the above recommendations.

## **12. HEALTH AND WELLBEING IMPLICATIONS**

12.1 There are no health and wellbeing implications from the above recommendations.

## **13. ORGANISATIONAL IMPLICATIONS**

13.1 Environmental implications

13.2 The above recommendations will protect the valued but non-statutory service of green waste collections. The collection of green waste positively contributes to the Council recycling rate and diverts green waste from disposal.

## **14. CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

14.1 The proposed charge of £50 per subscription for 2023/24 is reasonable and proportional in light of current inflationary pressures.

14.2 It is recommended that the flat charge of £50 per subscription is approved for 2023/24.

**15. BACKGROUND PAPERS**

15.1 There are no additional background papers to the report.

**16. APPENDICES**

16.1 Appendix A: Comparison of Rutland Green Waste Charges with Rutland's Experian Mosaic near neighbours

**A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577**

Appendix A: Table showing comparison of Rutland Green Waste Charges with Rutland's Experian Mosaic near neighbours

<b>Local Authority</b>	<b>Cost per subscription</b>	<b>Variations</b>	<b>Discount</b>
<b>South Northamptonshire (West Northants Council)</b>	£42 per sub	None	None
<b>Stratford-on-Avon</b>	£42 per sub	None	None
<b>Daventry</b>	£42 per subscription	None	None
<b>Rutland</b>	£45 online	£48 by cheque or over the phone	25% discount if in receipt of Local Council Tax Support
<b>South Cambridgeshire</b>	Households are entitled to one free green bin for mixed green waste and food.	The additional green bin charge is £45 per bin per year.	None
<b>Uttlesford</b>	£46 per subscription	Residents must purchase the bin (£23.63 per bin) in addition to the annual subscription charge.	25% discount if in receipt of Local Council Tax Support
<b>Maldon</b>	£50 per sub	Residents must purchase the bin (£28 per bin) in addition to the annual subscription charge.	None
<b>Wychavon</b>	£51	None	Disabled residents on income support can receive discounted green waste sacks at £1.45 each.
<b>Harborough</b>	£55	None	None

<b>East Hampshire</b>	£74 annual 'bin licence' £49 annual 'sack licence'	£39 to purchase a 140l green bin £44 to purchase a 240l green bin £8 to purchase a sack	None
<b>Melton</b>	£84.96 via Biffa Green Waste Club	Can pay by monthly DD at £7.08 a month £12 bin removal fee if subscription is cancelled	None