

For publication

Introduction of charging for the collection of garden waste.

Meeting:	Joint Cabinet and Employment and General Committee
Date:	5 February 2024
Cabinet portfolio:	Climate Change, Planning and Environment
Directorate:	Leisure, Culture and Community Wellbeing
For publication	

1.0 Purpose of the report

- 1.1 This report sets out the results from a review of the current garden waste roadside collection arrangements and sets out the case for the introduction of an annual charge to residents to receive this service from 1 April 2024.
- 1.2 This report has been developed in response to the recommendations set out in the Budget Implementation Strategy report that was presented to and agreed by Cabinet on 13 November 2023.
- 1.3 Specifically, this report sets out information and recommendations pertaining to the stage 2 proposal within the budget implementation strategy regarding the `introduction of charging for the collection of garden waste.`
- 1.4 The suggested approach within the report has been developed in alignment with the Councils overall budget strategy and thematic interventions.

2.0 Recommendations

- 2.1 To approve the introduction of an annual fee for residents who wish to continue to use the kerbside garden waste collection service from 1 April 2024.
- 2.2 To cease the current free of charge service on 31 March 2024.
- 2.3 To approve an annual subscription charge of £40 per annum for the service.

- 2.4 To approve a year one only, early bird annual subscription charge of £30 for any resident subscribing to the paid garden waste collection service before 01/5/24.
- 2.5 To approve the allocation of up to £40,000 to enable the Service Director – Leisure, Culture and Community Wellbeing in consultation with the Cabinet Member for Climate Change, Planning and Environment to make appropriate adjustments to the current staffing arrangements within the Council’s waste management service to support the introduction of the paid garden waste service and its ongoing management.

3.0 Reason for recommendations

- 3.1 To comply with the Council’s Budget Strategy for recovering fees and charges to contribute to the costs of service delivery.
- 3.2 To respond to the savings targets identified in the Budget Strategy Implementation Plan, which was approved in November 2023. This will enable the Council to work towards developing a balanced 2024/25 budget and MTFP.

4.0 Report details

Budget Strategy Context

- 4.1 Like all local authorities, Chesterfield Borough Council continues to face significant financial challenges. The sustained period of austerity since 2010, the ongoing risks and uncertainties over future funding arrangements, the budgetary impacts of the Covid-19 pandemic, the cost-of-living crisis and a sustained period of exceptionally high inflation, have all impacted on the Council’s financial position.
- 4.2 The Council’s Budget Strategy was approved by Council on 19 July 2023 and set out the need to drive out savings at pace, within a framework that was prudent, responsible, sustainable, and optimised to secure savings in the short- and medium-term to reduce and remove reliance on reserves, stabilising the Council’s financial position and establishing affordability of Council services.
- 4.3 A detailed approach to addressing the budget gaps has been worked through with the Council’s Corporate Leadership Team (CLT) and Labour Cabinet members over the past few months drawing on the thematic interventions set out in the Budget Strategy.

- 4.4 The current economic climate and the prevailing high rates of inflation mean that the costs of delivering services are increasing, making it more important than ever that all services are delivered as efficiently and effectively as possible, embedding commercial operating principles to how budgets are set and managed. It is imperative that all budget holders are focused on minimising costs and waste and maximising appropriate income opportunities.
- 4.5 This includes the need to ensure that fees and charges are regularly reviewed to ensure that wherever possible the costs of service delivery are recovered and that there is no cross subsidy from other service areas. This is particularly important for areas of discretionary spend, where the council does not have a statutory responsibility to deliver the service.
- 4.6 The process for reviewing income potential has been revisited to take account of emerging factors including the prevailing economic conditions and the Council's fees and charges policy has been reviewed following a deep dive into all key income generating areas. This corporate approach to effective management of fees and charges will ensure the Council maximises commercial opportunities to generate income from the delivery of chargeable services. Consideration has also been given to what opportunities there are for new income generation from statutory and non-statutory services.
- 4.7 Charging for garden waste collections is an example of local authorities adapting to increased pressure on public sector funding through the directed provision of charged-for services to those that choose to use it.

Background

- 4.8 The collection of garden waste is a discretionary service for which the Council may make a reasonable charge under the Controlled Waste Regulations 2012 and as referenced above from the DEFRA update of 23 October 2023.
- 4.9 The Council has provided a non-chargeable garden waste service for many years but given the unprecedented financial pressures that the Council is facing and in accordance with the recently adopted fees and charges policy (12 December 2023) it is an appropriate time to consider the introduction of fees and charges for the kerbside collection of garden waste.
- 4.10 The total cost of providing this service in 2023/24 is circa £672,000. This includes direct operating costs to Veolia (the Councils current contract provider for all its waste collection services) for garden waste of circa £625,000, as well as indirect costs of £47,000. The introduction of a paid

subscription-based service for garden waste would make a significant contribution to reducing the overall cost pressures faced by the Council whilst enabling the Council to continue to provide a valued service to those customers who choose to opt-in.

4.11 Through Veolia, Chesterfield Borough Council provides a kerbside garden and food waste collection service as follows:

- 44,300 households.
- free of charge to residents
- operates 12 months of the year.
- 240 litre green wheeled bin (164 properties receive a sack collection where their property is not accessible to a standard refuse collection vehicle)
- fortnightly collection

4.12 Based on the Defra Consultation (May 2021), approximately 98% of local authorities in England provide a garden waste collection service. Of which approximately 65% charge for the service.

4.13 Two out of the nine Derbyshire Councils currently charge for collections though Erewash are well advanced in their plans to start charging from 1 April 2024. The fees at the time of writing this report across Derbyshire councils are shown below.

Authority	Annual fee	Collection period	Collection frequency
Amber Valley	£45	February - November	fortnightly
Bolsover	FOC	All year	fortnightly
Chesterfield	FOC	All year	fortnightly
Derbyshire Dales	£50	All year	fortnightly
Erewash	£37	All year	fortnightly
High Peak	FOC	All year	fortnightly
North East Derbyshire	FOC	All year	fortnightly
South Derbyshire	FOC	All year	fortnightly
Derby City	FOC	All year	fortnightly

4.14 It is currently not permissible to charge for the collection of food waste. Therefore, if a charge for green waste collection service is implemented, food waste would revert to the residual (grey) bin for collection which will be reviewed in line with the evolving guidance from DEFRA.

- 4.15 Several changes are on the horizon in relation kerbside collections and how these will develop given changes around extended producer responsibility for packaging, deposit return schemes, simpler recycling for households and businesses and a weekly food waste collection service.
- 4.16 It is our understanding that all councils will be required to implement a weekly food waste collection service from 1 April 2026 an area of work which officers are currently reviewing.
- 4.17 Due to the disposal arrangements with garden waste through the disposal authority (Derbyshire County Council) any changes in total volume will not impact on the recycling credits that Chesterfield Borough Council receives as garden waste sits outside this agreement.
- 4.18 Collected material from the kerbside garden waste service is taken to a composting complex where material is deposited into a special container to ensure a high-quality product.

Engagement and Consultation

- 4.19 Budget conversation - The Council has engaged with residents and stakeholders on an ongoing basis through the budget process. A 'budget conversation' was launched in November, providing a general update on the Council's budget, and capturing feedback on the thematic interventions and the generality of the savings proposals via a questionnaire available online and in hard copy from a number of venues in Chesterfield, Brimington and Staveley.
- 4.20 The conversation asked questions relating to a number of themes, one of which related to increasing income to help reduce the Council's budget gap. In response 45.1% of respondents agreed / strongly agreed with this approach, 17.6% neither agreed or disagreed and 37.3% of respondents either disagreed or strongly disagreed. These responses provide a helpful insight into residents and stakeholders views on the Council seeking to increase income in order to reduce its budget pressures.
- 4.21 In addition to the above and to better understand residents' thoughts on this matter and to give an indication of likely take up for the scheme a specific consultation exercise was undertaken between 20 December 2023 and 10 January 2024 regarding this proposal.
- 4.22 The budget conversation asked for views on the key Budget Strategy and Budget Implementation Plan themes, one of which was around increasing

income and behaving more commercially. 45.1% of respondents agreed / strongly agreed with this approach, 17.6% neither agreed or disagreed and 37.3% of respondents either disagreed or strongly disagreed. These responses provide a helpful insight into residents and stakeholders views on the Council seeking to increase income in order to reduce its budget pressures.

4.23 The consultation results from 1441 responses advised the service of the following.

Do you currently use the existing garden waste service?

Yes 97.9%

No 2.1%

If yes, how would you rate the current garden waste service?

Very Good 55.9%

Good 30.5%

Average 12.7%

Poor 0.6%

Very Poor 0.2%

The council is considering introducing a single annual charge for the collection of green waste. How likely are you to pay for this service?

Very likely 7.1%

Likely 14.9%

Unlikely 22.0%

Very unlikely 55.9%

How likely are you to subscribe to a paid garden waste collection service if the following charges were introduced: Annual service (i.e. all year round) (Up to £45 per year:)

Very likely 6.0%

Likely 14.9%

Unlikely 18.4%

Very unlikely 60.7%

If the chargeable garden waste service detailed above is implemented, how likely is it that you would subscribe for a second green bin, which would be chargeable at a reduced rate to that of your first bin?

Very likely	3.3%
Likely	3.3%
Unlikely	15.1%
Very unlikely	78.3%

If you choose not to subscribe to the garden waste collection service, how will you deal with your garden waste?

Other	56.2%
Household Waste recycling centre	31.3%
Home compost	11.1%
Use a commercial garden waste removal service	1.4%

- 4.24 The results above have along with other communications received from residents informed the service design recommendations and approach. Where feedback has identified concerns regarding areas such as fly tipping for example, these have been referenced within the risk matrix in section 12 of the report.
- 4.25 Currently the garden waste free collection service results in approximately 8,440 tonnes per year being collected, including food waste. Based on 44,300 households each getting 26 collections per year, kerbside collection currently equates to an average of less than 1kg per bin collection. Which means the typical bin is less than a quarter full when emptied.
- 4.26 Households that produce a smaller amount of green waste will be encouraged to compost, as reflected in the consultation results with 11% of respondents indicating that this would be a preferred option. The council will investigate partnering with an organisation such as Get Composting to assess the opportunity for residents to purchase reasonably priced compost bins to manage their own garden waste. This is a more sustainable alternative to repeatedly collecting very small amounts of waste.

Recommended Service Provision

- 4.27 A comprehensive marketing and communications approach will be undertaken to advise residents of the changes to the scheme and set out their options to engage in the scheme. This communication will also make clear the implications of not participating in the scheme.
- 4.28 The communications regarding the changes will also include advice and guidance on home composting, alternative garden waste disposal options and it will clearly set out that residents will continue to have the option to

subscribe to the service even if they initially decide not to progress with a subscription. The option to opt in will always remain open.

- 4.29 Residents will be offered the opportunity to subscribe to the new paid for service. This subscription process will be overseen by the council's customer services team (supported by colleagues in waste management) and will accommodate digital, telephone and in person enquiries.
- 4.30 Once a resident has signed up and paid for the service, their garden waste collections would continue to be undertaken and the resident would not see any change to their current collection arrangements.
- 4.31 Assisted bin collections would continue for those residents subscribing to the new scheme who need this support.
- 4.32 For any residents choosing not to subscribe to the new service, the waste team would work with Veolia to consider options for the garden waste bins currently located at these households to be removed and or used for alternative purposes.
- 4.33 Residents subscribing to the new paid for service would see no change to their current collection arrangements, this would continue in line with existing schedule once payment has been made.

Fees and charges

- 4.34 In setting the suggested fee for the collection of garden waste due consideration has been given to the newly adopted fees and charges policy.
- 4.35 It is recognised that there are a range of different factors to consider in setting fees and charges including legislative requirements and constraints, the full cost of delivering services, benchmarking with other local authorities and potential impacts upon other policy objectives. As a minimum, where legislation allows, a full cost recovery model will be adopted. The revised fees and charges policy also explores options for increasing rates on a more frequent basis to ensure that cost pressures are recovered.
- 4.36 In considering the appropriate price point the service has considered all associated ongoing operating costs for the delivery of the service.
- 4.37 Operating costs include contract fees for the collection of the garden waste material, council overheads for the provision of this service including

administration both contractually and with regards to customer service. The additional one off and annual costs are shown in section 6 of this report pertaining to the new approach being recommended.

- 4.38 Residents will not need to be supplied with a garden waste bin or to purchase a bin, as these are already in place.
- 4.39 In considering all the points raised within the wider consultation and the range of operational considerations it is recommended that a fee of £40 is introduced for the kerbside collection of garden waste for the year 1 April 2024 to 31 March 2025, which equates to a weekly cost of 77 pence for the service.
- 4.40 In addition, it is also recommended that a year one early bird annual subscription charge of £30 for any resident subscribing to the paid garden waste collection service before 01/5/24 is introduced as an initial incentive to encourage residents to subscribe to the new service, which equates to a weekly cost of 58 pence for the service.
- 4.41 Given the changes outlined the service will review the implementation and approach outlined and through this review consider areas for improvement where appropriate. The review will allow officers the opportunity to assess impact as well as build options going forward to seek to ensure residents receive a good service which is accessible.

5.0 Alternative options

- 5.1 Continue with current free of charge service. The total costs for providing this service are circa £672,000. To continue to provide the service in this way has no opportunity to produce a saving / increase income and therefore support the production of a balanced budget for 2024/25.
- 5.2 The Council could introduce a higher than recommended charge for this service. However, based on consultation feedback and the principles within the newly adopted fees and charges policy this is not considered to be an option.
- 5.3 The Council has a legal duty to set a balanced budget for 2024/25 the recommendations in this report will generate additional income which will help towards a balanced position for 2024/25.

6.0 Implications for consideration – Financial and value for money

6.1 Estimated additional costs for the delivery of a charged for service are set out in the table below.

Details of additional costs	Annual recurring costs £'000
Bin stickers and postage	39
Scheme administration and business support	40
Annual billing	5
Storage	5
Total ongoing costs	89

6.2 In addition to the above, there would be initial, one off, set up costs for the scheme in 2024/25 of £65,000 including, scheme promotional costs - £10,000, initial registration and billing costs - £30,000 and collection and storage of unwanted bins £25,000.

6.3 The survey indicated that circa 25% of households would take up the service. It is reasonable to assume that as residents reflect upon the convenience of the kerbside collection option for a single annual fee of £40, this figure is likely to see an uplift to circa 30% (13,290 households.) This percentage equates to a potential gross income of £531,000 and net income of £377,000, after considering the costs set out in the table above.

6.4 However, to encourage early adoption, it is recommended that the scheme is launched with an introductory early bird offer to residents who sign up by 1 May 2024. The recommended fee for this is £30, offering a £10 discount on the standard fee.

6.5 Given circa 25% of respondents to the survey indicated a high degree of likelihood to participate in the scheme and circa 22% indicated that sign up to the scheme was unlikely, it is considered that in offering this reduced fee for a limited period would encourage a higher number of residents to participate in the scheme and the overall % uptake is assumed to increase to 35% (15,505 households) as a result (60% of households taking advantage of the offer and 40% joining the scheme on the standard fee of £40). It is estimated that this would generate gross income of £527,000 and net income of £373,000 in 2024/25, after considering the costs set out above.

6.6 It is estimated that from 2025/26 the net additional income will be £442,000 based on 30% household uptake for the scheme at a charge of £40 per bin for the annual service.

7 Implications for consideration – Legal

- 7.1 The Environment Act 2021, which incorporates the Government's proposals for Consistency in Household Waste Collections, contains reference to six core recyclable streams to be collected from households including garden waste.
- 7.2 On 23 October 2023 guidance was issued regarding waste reforms by the Department for Environment Food and Rural Affairs (DEFRA) that by 31 March 2026, local authorities will be required to collect the following recyclable waste streams from all households in England: paper and card, plastic, metal, glass, food waste and garden waste, excluding plastic film.
- 7.3 Within this guidance DEFRA confirmed that Local authorities will be required to collect garden waste, where requested and can continue to choose to charge for this service.
- 7.4 The Environmental Protection Act 1990 Section 46 provides that household waste shall be collected without charge except in cases prescribed by regulations made by the Secretary of State. These Regulations include the Controlled Waste Regulations 2012 which lists types of household waste for which a charge for collection can be made. Garden waste is listed under Schedule 1 paragraph 4.
- 7.5 It is likely that a contract variation will be required to the existing contract with Veolia limited, but based on discussions with Veolia, this is not expected to present an issue for either party.
- 7.6 When the Government publishes in full its response to Defra's consultation including any updated guidance from the letter received in October 2023, the Council will need to consider any new statutory requirements and reflect these within its future service delivery.
- 7.7 The General Power for Best Value Authorities to Charge for Discretionary Services – Guidance on the Power in the Local Government Act 2003 considers that consultation with interested parties should be considered when seeking to first introduce charges for services.

8 Implications for consideration – Human resources

- 8.1 If implemented the scheme will require additional capacity to be introduced into the Waste Management team to support the effective introduction and management of the scheme.

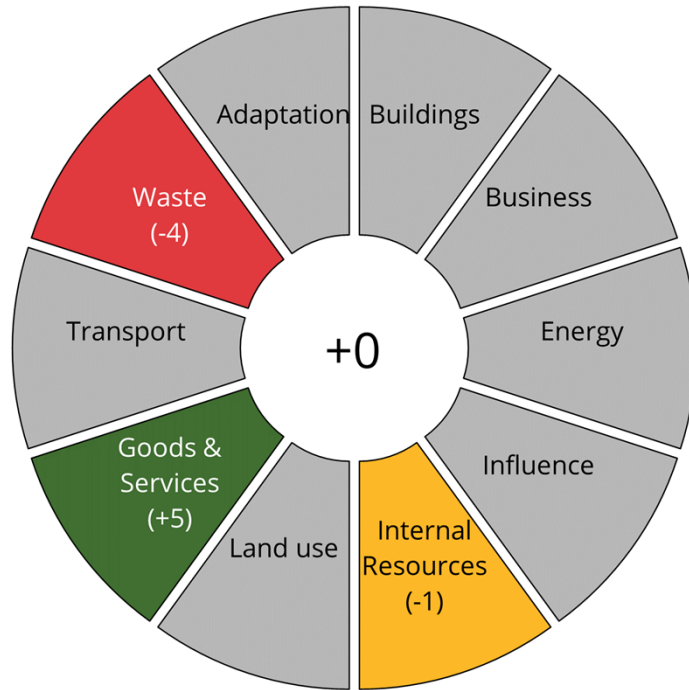
- 8.2 A resource allocation of £40,000 has been identified as being required to enable this. At this stage the service seeks approval for budget growth to ensure suitable resource is in place to implement and manage the scheme.
- 8.3 The service intends to bring a detailed staffing report to a future Joint Cabinet Employment and General Committee regarding the overall structure and staffing requirements for the waste service. This report will be informed by a range of in service pressures through ill health, resignation, VR / VER and emerging options and opportunities that are resulting from the Environment Act 2021 and updated guidance from DEFRA.
- 8.4 There is likely to be increased demand on the Customer Services Centre in the run up to the introduction of the new service where customers opt to pay over the phone or where they have concerns and/or queries. This will be partly mitigated by the communications plan, encouraging on-line applications and the inclusion of pertinent information on the website e.g. FAQs. In addition however, provision has been made in the financial model for budget to support additional demands placed on the Customer Service Centre.
- 8.3 The additional capacity both in terms of the waste team and customer services is essential to ensure the smooth transition and ongoing management of the scheme.

9 Implications for consideration – Council plan

- 9.1 In preparing the budget estimates for the coming financial year and updating the MTFP, detailed consideration has been given to the need for the Council's finances to be at appropriate levels to enable the Council to deliver in full on the priorities, objectives, and commitments that it has set itself within the new Council Plan 2023 - 2027. The introduction of a charge for the kerbside collection of garden waste will directly support this.
- 9.2 The preparation of sustainable and balanced budgets over the medium term is also a key activity in contributing to delivery of the third Council Plan priority 'building a more resilient council.'

10 Implications for consideration – Climate change

- 10.1 A climate change impact assessment has been undertaken and is shown below. Full details contained in Appendix 1.



Chesterfield Borough Council has committed to being a carbon neutral organisation by 2030 (5 years and 11 months away).

11 Implications for consideration – Equality and diversity

11.1 An equality Impact Assessment has been undertaken which has identified no disproportionate impact in relation to protected characteristics, full details contained in Appendix 2. Whilst a charge would be levied there would continue to be assisted bin collections for vulnerable residents.

12 Implications for consideration – Risk management

12.1 Risk matrix outlined below.

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Reduction in corporate recycling attainment figure	H	H	The council is committed to continue work to improve quality and quantity of domestic recycling including due consideration of the changes for food waste collection in 2026. To help mitigate	M	M

			reduced totals residents will have the option to purchase a second bin to enable larger quantities of green waste material to be collected.		
Lower than expected uptake of subscriptions.	H	M	Extensive marketing and communications material setting out the advantages of the scheme compared with alternatives. Engagement already undertaken which highlights likely uptake.	M	L
Requirement to return to FOC service.	H	L	Investigate alternative opportunities regarding service delivery in line with legislative changes.	M	L
The following areas reflect the concerns expressed from the engagement and consultation					
Potential for garden waste to be placed in black bin and end up in landfill	M	L	Ensure signposting to home composting opportunities. Majority of residual (black bin) waste is used to generate energy from waste and so is unlikely to end up at a land fill site.	L	L

Potential for garden waste to be fly tipped	M	L	Over 60% of councils in England already charge for collecting garden waste. This has led to research into the incidence of fly tipping and there has been no notable increase in incidences. Environmental protection teams will pursue fly tipping.	L	L
Introduction of a two-tier service where a reduced number of collections is offered to non-subscribers	H	L	The management, delivery and administration of such a scheme would be complicated and expensive and would not support the development of a balanced budget. Consequently, it is not something the council is currently considering	L	L
Resident confusion concerning how the scheme will work and how problems will be solved	M	M	A comprehensive FAQ package will be created and issued with the proof of payment bin stickers. It will also be replicated on the council webpage for residents to refer to in addition to a range of printed materials to mitigate digital exclusion. Extensive promotion	L	L

			of the scheme through all available CBC channels.		
A subscription service could adversely affect the less affluent areas of the borough.	H	M	Ongoing review of the project will help identify issues such as this plus other challenges and opportunities. Any issues that emerge as part of that can be addressed as the service develops. Learning from the 60%+ of other authorities that deliver a paid service.	M	L
Loss of food waste collection	M	H	Only temporarily as a separate food waste collection service will be introduced in line with legislation. This is intended to be in place by Spring 2026.	L	H
Increase in burning of garden material	H	M	Environmental protection teams will monitor and existing legislation (Environmental Protection Act) and policy is in place to tackle this. https://www.chesterfield.gov.uk/health-and-environment/smoke-bonfires-and-solid-fuel-appliances/bonfires.aspx	L	L

			Learning from other authorities 60%+ who have introduced fees and charges for this service.		
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Decision information

Key decision number	All key decisions must be in the Forward Plan at least 28 days in advance. There are constitutional consequences if an item is not in the Forward Plan when it should have been. Contact Democratic Services if in doubt.
Wards affected	All

Document information

Report author	
Name, job title and directorate of the report author. Where possible the report author should be encouraged to attend Cabinet with Service Director support where appropriate. Shiley Hallam – Head of Environmental and Streetscene Services Ian Waller – Service Director, Leisure Culture and Community Wellbeing	
Background documents	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
This must be made available to the public for up to 4 years.	
Appendices to the report	
Appendix 1	Climate Change Impact Assessment
Appendix 2	Equality Impact Assessment