



**Corporate Policy and
Resources Committee**

**Thursday 11 November
2021**

Subject: Garden Waste Subscription Service

Report by:

Assistant Director of Commercial and Operational
Services

Contact Officer:

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Purpose / Summary:

For Corporate Policy and Resources Committee
to resolve to increase the annual charge for the
Garden Waste Collection service, as
recommended by Prosperous Communities
Committee

RECOMMENDATION(S): For Corporate Policy and Resources Committee to increase the subscription for receipt of the Garden Waste collection service to £39 per bin per year, for the 2022/23 financial year and £39 per bin per year for the 2023/24 financial year as recommended by Prosperous Communities committee on 2 November 2021.

IMPLICATIONS

Legal: None

Financial : FIN/100/22/SSc/MT

This report is looking at the options for Green Garden Waste service charges for 2022/2023 and 2023/2024.

The options listed below are based on potential income generation against estimated costs.

The service charge options proposed are £35, £38, £39 and £40, fixed for both years. The pressure and surplus figures in the table below shows the forecast net position across the two years 2022/2023 and 2023/2024.

If there was no change to the current service charge the forecast pressure for the Council is £177k.

	Service Charge	Pressure / (Surplus)
*	£35	£177k
**	£38	£35k
***	£39	£11k
****	£40	(£13k)

* Assumes increase in bin sales increases at 2% pa

** Assumes increase in bin sales at 2% but loses 1% due to price increase

*** Assumes increase in bin sales at 2% but loss of 2% due to price increase

**** Assumes increase in bin sales at 2% but loss of 3% due to price increase

Staffing : There are no staffing implications involved with this report

Equality and Diversity including Human Rights :

A full Equalities Impact Assessment was developed when a subscription based service was introduced.

Data Protection Implications : All data relating to the service is processed in line with the Council's Data Protection Policy

Climate Related Risks and Opportunities : Amending the price of the annual subscription may result in changing demand meaning a change to vehicle movements, however the impact of this is likely to be minimal.

Section 17 Crime and Disorder Considerations : None for this report

Health Implications: None for this report

Title and Location of any Background Papers used in the preparation of this report:

Wherever possible please provide a hyperlink to the background paper/s
If a document is confidential and not for public viewing it should not be listed.

Risk Assessment :

Failure to amend the cost of subscription to achieve cost recovery may result in reputational impact, as residents who don't subscribe claiming they part-subsidise it.

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes

No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes

No

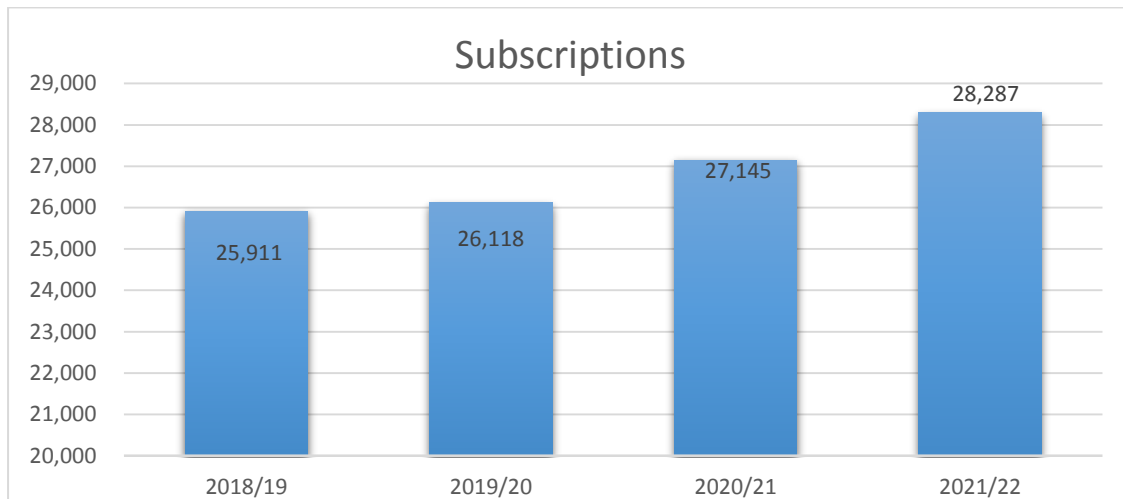
1. Introduction

- 1.1 At its meeting on 2 November 2021, Prosperous Communities Committee received a report regarding the annual subscription charge for receipt of the Garden Waste collection service. Having considered the evidence presented, the Committee resolved to recommend to Corporate Policy and Resources Committee that the annual subscription be increased to £39 per bin, per year for both the 2022/23 and 2023/24 financial years.
- 1.2 In December 2017, Prosperous Communities Committee resolved to introduce a subscription-based garden waste service from 1 April 2018, the service had previously been free for residents who could receive it.
- 1.3 The decision to introduce a charge was taken in order that a user-pays ethos was implemented and that the function should seek to fully recover its costs. Failure to do this would mean that residents who didn't subscribe to the service would be indirectly funding it through their council tax payments.
- 1.4 The service has continued to grow year on year, with high levels of satisfaction.
- 1.5 The subscription cost has remained at £35 per annum, per bin since the charge was implemented.
- 1.6 The cost of delivering the service has continued to increase since the subscription was introduced, continuing with the current charge of £35 per annum would mean the service would not recover its costs in future years.
- 1.7 It is therefore timely that Members consider options for setting the subscription rate in coming years.

2. Performance

- 2.1 Table 1 below portrays the number of subscriptions achieved in the four years since a subscription charge was implemented. It can be seen that the rate increased by an average of 793 new subscriptions per year.

Table 1 Number of subscriptions per year



2.2 Table 2 below shows the current rate of subscription at other local authorities in Greater Lincolnshire, these are current year rates and each individual authority may have plans to increase charges for next year.

2.3 The average annual subscription in Greater Lincolnshire is £40 for 19.8 collections per annum.

Table 2 Subscription rates across Greater Lincolnshire

Authority	Subscription cost 1st Bin	Subscription cost for additional bins	Number of collections
WLDC	£35	£35	18
South Kesteven	£39 if paid online or Direct Debit £44 if paid off line	£19.50 if paid online or Direct Debit £22 if paid off line	26
North Lincs	140l free 240l £39	-	24
North Kesteven	£35	£17	24
East Lindsey	£40	£40	21
City of Lincoln	£39	£15	26
North East Lincs	£36	£36	22 (April - March no collections from 13 Dec - 4 Feb)
South Holland	£52	£30	24
Boston Borough	£45	£20	20 (April - March no collections end Nov - end Feb)

2.4 West Lindsey has the lowest number of collections per annum in Greater Lincolnshire. Winter collections were suspended a number of years ago following a report to Members identifying the low tonnages collected and the high carbon impact of winter collections. A consultation process undertaken before the subscription was first introduced identified that, given the choice; residents would rather have fewer collections for a lower annual subscription.

2.5 It is therefore proposed that the number of annual collections remains at eighteen.

3. Cost of Service

- 3.1 The cost of providing the service has increased year on year, to the point where the function will fail to recover its costs unless the subscription is increased.
- 3.2 Most significantly, annual pay rises have impacted the cost of operating the service. More recently, an extra pay award and retention bonus has been introduced for HGV drivers, in an attempt to protect the services from the national driver shortage.
- 3.3 These issues, combined with increasing fleet costs, including vehicle supply and fuel, plus a contribution to the cost of the new Depot at Caenby Corner, mean the cost of service in 2022/23 will be £1,092k and in 2023/24 will be £1,125k.
- 3.4 Table 3 below portrays the options available to Members regarding the price of the annual subscription. It should be noted that it is very difficult to accurately foresee actual subscription levels, they are reliant on uncontrollable external factors including the weather, residents working from home and caring about their home environment more, also the availability of Household Waste Recycling Centres.
- 3.5 Given the information in Table 3, in order to achieve the closest possible cost recovery model, officers recommend raising the subscription to £39 per bin, per annum, fixed for two years.

Table 3 Options for future subscription levels and projected impact on cost of service

Cost	Projected income 2022/23	Projected income 2023/24	Total income 2022/24	Projected cost of service 2022/24	(Surplus)/Pressure
£35*	£1,009,846	£1,030,043	£2,039,889	£2,217,100	£177,211
£38**	£1,085,549	£1,096,297	£2,181,845	£2,217,100	£35,255
£39***	£1,103,193	£1,103,193	£2,206,386	£2,217,100	£10,714
£40****	£1,120,495	£1,109,616	£2,230,111	£2,217,100	£(13,011)

* Assumes increase in bin sales increases at c2%pa

** Assumes increase in bin sales at 2% but loses 1% due to price increase

*** Assumes increase in bin sales at 2% but loss of 2% due to price increase

**** Assumes increase in bin sales at 2% but loss of 3% due to price increase

4. Other issues

- 4.1 The Government is currently consulting on a future Environment Bill. Within the Bill are a number of proposals which, the Government considers, could harmonise waste collection methodologies, resulting in higher quantities and quality of material collected for recycling.
- 4.2 One proposal is to require collection authorities to provide free collections of garden waste for all households from 2024. Whilst most local authorities oppose this proposal on environmental and financial grounds, it remains possible that they could be required to deliver this free service.
- 4.3 Whilst the Government have stipulated they will compensate authorities for lost income, it is likely this will be at a maximum of 80% through New Burdens Funding.
- 4.4 The Council should therefore be prepared to lose significant income in coming years, should the proposal become enshrined in legislation.

5. Communications Plan

- 5.1 Operational Services will work with the Communications Team in order to produce a Communications Plan to adequately inform residents of the reasons for any increase in subscription levels.