

# **FEES AND CHARGES REPORT**

## **APPENDIX 13 – OPERATIONAL SERVICES**

### **1. Service Description**

Operational Services offer a range of much needed services to the local community, including the collection of standard household waste, plus garden waste and co-mingled recyclate, bulky and clinical waste collections. They also undertake street cleansing and mechanical road sweeping.

In addition to these services, private road sweeping and collection of bulky items such as fridges and freezers from commercial premises are undertaken.

#### **1a) Price on Application**

Commercial Waste and Private Road Sweeping – all fees and charges with prices on application, this is due to the variety of requirements of customers. A pricing model has been developed for both service areas to assist officers in developing a price range, based on the individual requirements and specifications of the customer.

#### **1b) Garden Waste Service**

A charge for the collection of Garden Waste was implemented with effect from 1<sup>st</sup> April 2018. For three years until 2021/2022, the fees for this service had been held at £35.

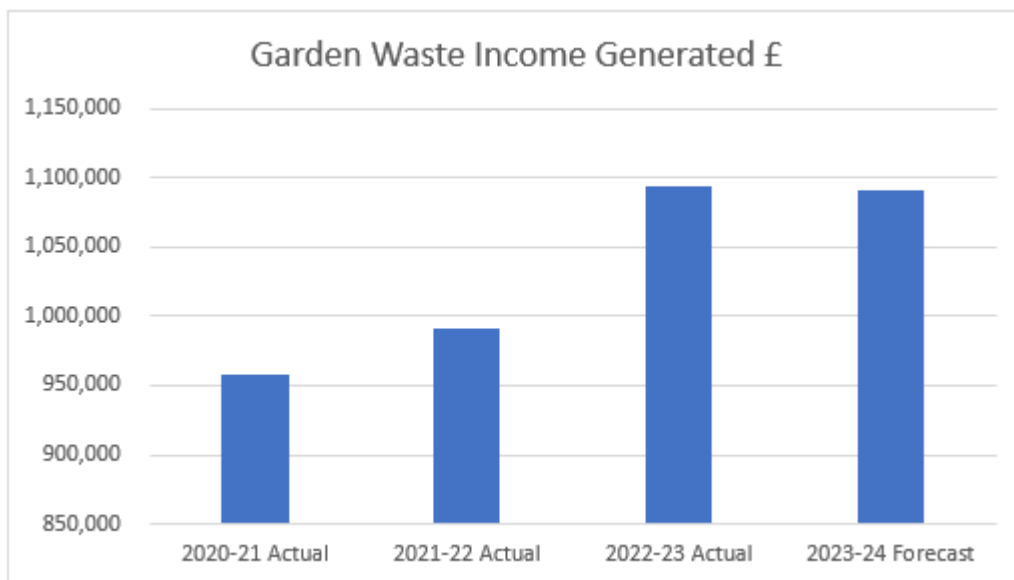
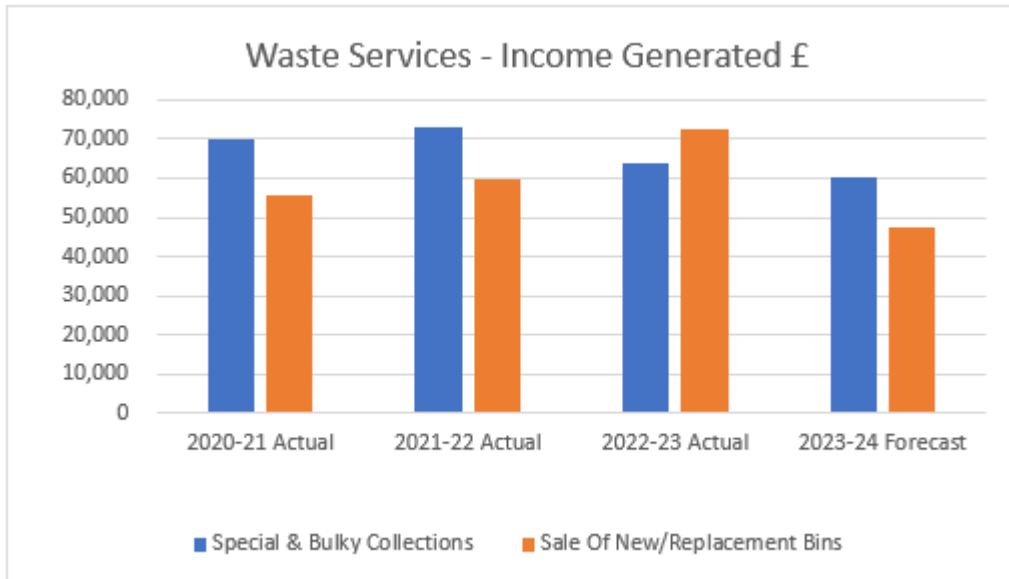
The price was increased to £39 per subscription for two years (2021/2022 and 2022/2023).

The proposed fee for 2024/2025 is £44 per subscription. A community engagement exercise is to be undertaken prior to proposing the fee for 2025/2026.

The Government are currently consulting on a new Environment Bill, one element of this could be new legislation meaning Councils may have to provide a free for all garden waste service. Whilst the Government are proposing to compensate Councils through New Burdens funding, it would mean the Council would no longer receive any income from the service.

### **2. Prior years analysis, current financial year projections**

The graphs below shows the actual income achieved for the previous 3 financial years plus a forecast for 2023/2024.



As the graphs above demonstrate, income had increased for Garden Waste service subscriptions and bulky waste collections in 2022/2023. We are predicting a drop in 2023/2024 for Garden Waste Service, Bulky waste collection and Street Cleansing income from the amount received during 2022/2023. However, the budget for Bulky Waste income is set below the current rate of demand and is to be increased to reflect previous three year activity.

### **3. Pricing**

#### **3a) Green Garden Waste.**

The forecast income for the MTFP is based on 27,500 subscriptions. The current subscriptions are 27,974 for 2023/24. The assumption considers a potential drop in subscriptions of 1.7% due to the price increase.

The Government are currently consulting on a new Environment Bill, one element of this could be new legislation meaning Councils may have to provide a free for all garden waste service. Whilst the Government are proposing to compensate Councils through New Burdens funding, it would mean the Council would no longer receive any income from the service.

#### **3b) Bulky Waste**

The forecast income for the MTFP is based on the average number of bulky waste collections requested in the last three years, which is 1,500pa. The demand for this service is expected to remain static. No increase is proposed for this service in 2024/2025 to ensure the service is accessible.

### **4. Understanding Customers and Markets**

Operational services, as mentioned above, offer much needed services within the local community.

The Garden Waste collection service is a popular and value for money offering for our residents with consistently high levels of subscriptions and very low levels of dissatisfaction or service failure. Whilst complaints and comments received about the service are extremely low, there is a clear need to undertake a community engagement exercise in the coming year to fully understand customer preferences regarding the cost of service, number of collections and payment methods. A draft community engagement proposal to be presented to Committee in June 2024 for approval.

### **5. Proposed Charging**

The proposed charges for 2024/2025 are illustrated below.

- 5a) It is proposed to increase the Garden Waste subscription fee to £44 per bin for eighteen collections to achieve cost recovery and avoid a deficit which would be underwritten by those residents who don't subscribe to the service.
- 5b) It is proposed to freeze the price of new and replacement bins. There has been no increase in the cost of bin stock in the past financial year.
- 5c) Inflation at 6% has been applied to additional blue sacks, rounded to the nearest 50p.
- 5d) It is proposed to freeze the current price for Bulky Waste services to ensure the service is accessible to all our residents given the current cost of living crisis.
- 5e) Collection and disposal of fridges and freezers from commercial properties has been increased by inflation at 6%, rounded to the nearest £1.

## 6. Impact on Medium Term Financial Plan (MTFP)

The income budget for bulky waste collections has been increased to £60k from 2024/2025 to reflect the forecast demand, based on actual income achieved during 2021/2022, 2022/2023 and the forecast for 2023/2024. This is an increase of £13.8k in 2024/2025.

The proposed increase in the Garden Waste subscription fee for 2024/2025 has increased the income budget for this service by £107.1k. This is offset by increases in expenditure budgets to reflect the rising costs of this service.

	2024/25 (£)	2025/26 (£)	2026/27 (£)	2027/28 (£)	2028/29 (£)
Current Budget in MTFP	(1,197,700)	(1,197,900)	(1,198,800)	(1,198,800)	(1,198,800)
Proposed Budget - Sales Of Garden Sacks	(300)	(300)	(300)	(300)	(300)
Proposed Budget - Garden Waste Subscription Fee	(1,210,000)	(1,210,000)	(1,210,000)	(1,210,000)	(1,210,000)
Proposed Budget - Special & Bulky Collections	(60,000)	(60,000)	(60,000)	(60,000)	(60,000)
Proposed Budget - Sale Of New / Replacement Bins	(48,300)	(48,300)	(48,300)	(48,300)	(48,300)
Impact on MTFP 2024/25 Pressure/ (Saving)	(120,900)	(120,700)	(119,800)	(119,800)	(119,800)

## 7. Recommendation

Members are requested to approve the charges for the 2024/2025 financial year as detailed in the schedule below.

Prosperous Communities Committee

Operational Services

2023/24	Proposed Increase / (Decrease)		2024/25	VAT Amount	2024/25 Charge Inc. VAT	VAT Rate
	£	% Type or £				

Additional Blue Sacks *	Per 5 sacks	£9.50	5.3%	£0.50	£10.00	£0.00	£10.00	OS
*Postage & packaging will be the applicable charge at the time of posting								
Garden Waste Wheeled Bin (Annual charge)	Collection of 1st bin	£39.00	12.8%	£5.00	£44.00	£0.00	£44.00	OS
Garden Waste Wheeled Bin (Annual charge)	Collection of 2nd and subsequent bins	£39.00	12.8%	£5.00	£44.00	£0.00	£44.00	OS
Wheeled Bin Replacement (supply & delivery)	Green/Black /blue recycling	£37.00	0.0%	£0.00	£37.00	£0.00	£37.00	OS
Wheeled Bins for New Properties (supply & delivery)	Green/Black /blue recycling	£37.00	0.0%	£0.00	£37.00	£0.00	£37.00	OS
Bulky Household Waste Collections	Collection articles worth up to 6 points	£34.30	0.0%	£0.00	£34.30	£0.00	£34.30	OS
	Additional articles worth 1 point collected at the same time	£4.50	0.0%	£0.00	£4.50	£0.00	£4.50	OS
Collection and Disposal of Fridges and Freezers from Commercial Premises		£101.00	5.9%	£6.00	£107.00	£0.00	£107.00	OS