



## Dorset Waste Partnership Joint Committee

Date of Meeting	12 <sup>th</sup> September 2016
Officer	Interim Head of Service (Strategy), Dorset Waste Partnership
<b>Subject of Report</b>	<b>Charging for 'Recycle for Dorset' containers</b>
Executive Summary	This report reviews the legislation in place enabling local authorities to charge for household waste receptacles and makes recommendations regarding the Dorset Waste Partnership (DWP) adopting this approach for certain 'Recycle for Dorset' containers.
Impact Assessment:	Equalities Impact Assessment:  Please see appendix one
	Use of Evidence:  Environmental Protection Act 1990 (EPA), S46: Receptacles for household waste
	Budget:  Predicted income of approximately £124,000 per annum (from April 2017). However, a cost of £40,500 will be incurred through additional admin resource and development of the necessary I.T. Therefore, the net saving will be £83,500.
	Risk Assessment:

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	<p>Having considered the risks associated with this decision using the County Council's approved risk management methodology, the level of risk has been identified as:</p> <p>Current Risk: LOW Residual Risk MEDIUM</p>
	<p>Other Implications:</p> <p>None</p>
<p>Recommendation</p>	<p>That the Joint Committee:</p> <ol style="list-style-type: none"> <li>1) Approve the proposals identified in paragraph 3.5 of this report to commence charging for certain 'Recycle for Dorset' containers</li> <li>2) Amend the 'Recycle for Dorset' policy wording relating to additional refuse sacks as identified in paragraph 3.5 (iii) of this report</li> <li>3) Delegate authority to the Director of DWP, in consultation with the chair of Joint Committee, to review the level of charges and make any further policy changes regarding charging for containers</li> </ol>
<p>Reason for Recommendation</p>	<p>Implementing the proposed policy and charges would allow the DWP to recover the costs of purchasing and delivering household waste containers as permitted by the EPA 1990 (s 46), resulting in an avoided financial burden of approximately £124,000 per annum (minus an estimated £40,500 for admin and I.T requirements).</p> <p>Without the introduction of a charging policy for these waste containers, the DWP will continue to incur this cost. As detailed in this report, this cost could be passed to housing developers and customers.</p>
<p>Appendices</p>	<p>Appendix one: Equality Impact Assessment Appendix two: Examples of other local authority charges</p>
<p>Background Papers</p>	
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## Charging for 'Recycle for Dorset' containers

### **1. Introduction**

- 1.1. The DWP has been tasked with making some very challenging savings in coming years. In order to deliver these savings, all budgets are being scrutinised. This report considers potential savings in the cost of supplying wheeled bins and containers for the 'Recycle for Dorset' waste and recycling collection service.
- 1.2. Now that the 'Recycle for Dorset' service is in place across the entire DWP area, there is an on-going requirement for bin swaps and replacement of damaged and lost containers. The 'Recycle for Dorset' scheme offers residents a number of non-standard variations, such as larger bins for larger families. Whilst this level of flexibility made the introduction of the scheme more attractive to Dorset residents, there are on-going revenue and capital costs as a result.
- 1.3. Additionally, with a considerable amount of new properties being built each year (estimated 1,300 new properties per annum), there is an on-going and significant financial burden associated with supplying and delivering containers to these properties.
- 1.4. The DWP has already put in place arrangements for residents to collect the smaller containers (recycling boxes and food caddies) themselves from partner offices and local stockists wherever possible. Over 80% of small containers are now collected representing a considerable saving for the DWP in avoided delivery and administration costs that may be in the region of £100,000 per annum.

### **2 Legislation**

- 2.1. The Environmental Protection Act 1990 (EPA) underpins the introduction of a policy to charge for household waste containers, specifically Section 45 and Section 46: Receptacles for household waste. The EPA sets out by law what Local Authorities and individual responsibilities are in relation to waste collection and containment.
- 2.2. Under Section 46 of the EPA, a Council may serve notice on the occupiers of the premises from which it collects household waste, requiring those occupiers to place their waste in receptacles of a particular kind and of a particular number. The Council may specify the size, type and colour of these receptacles, and that a charge can be made to the householder for the specified containers.
- 2.3. The DWP cannot force the householder to buy their waste containers from the Council, but can enforce the householder to buy the appropriate size, colour and specification of the bin. This ensures that containers specifications meet the operational requirements of our collection vehicles and are able to be emptied safely.
- 2.4. Should a householder refuse to purchase the appropriate waste containers, the DWP could withhold provision of the waste collection service and would need to invoke the powers available to it under Section 46 of the Environmental Protection Act 1990 by service of notice on the occupier to provide suitable containment.
- 2.5. Charging for containers is now commonplace across the UK with many local authorities recouping the cost of replacement and new containers. Examples of charges of other authorities are detailed in appendix 2.

### **3. Proposals for charging**

- 3.1. Agreeing the charges proposed in this report below may generate income in the region of £124,000 per annum for the DWP. The charges and income identified include the

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cost of the container, delivery and collection where appropriate, administration, cost of taking payment, and cost of calls to Dorset Direct. The charges would be reviewed annually.

Charges will be made for the supply of the containers only, and the containers will remain the property of the DWP at all times and should not be removed from the premises under any circumstances. Effectively the DWP is providing the containers on a long term loan arrangement.

- 3.2. The new charges could be in place from 1<sup>st</sup> April 2017. A new e-form will be required to enable payments to be taken. Due to the new charging structure between DCC core services and DWP there may be a one-off cost of around £15,000 associated with the IT development for this new project.
- 3.3. There will be additional on-going administration resource needed to manage the additional customer contact and processes. It is proposed that a grade 7 administration officer is recruited to manage this, which will cost approximately £25,521. Key tasks of this new administration officer will include liaising with housing developers, managing any complaints, dealing with payments, organising annual reviews of eligibility for service and managing processes leading to notices being issued.
- 3.4. This additional admin resource and I.T development will reduce the overall saving of £124,000 to just under £83,500. However, should it be decided to extend the charging mechanism to cover lost and damaged containers as detailed in paragraph 4, the level of saving achieved will increase.
- 3.5. Officers recommend the following charges be approved by Joint Committee:

- i. New developments: estimated income £50,000 per annum

It is proposed to charge a fixed fee of £54 per household for the supply of a full set of containers for a new build property (wheeled bin, bag and box or communal service). Whilst local authorities can only require payment from the householder under the EPA, DWP officers will work with developers to establish their requirements and where possible, encourage the developer to fund the cost of new containers for their developments. Discussions with the DCC planning department have ascertained that there is no clear way within planning legislation to require the developers to fund the cost of the containers. There is a risk therefore that this cost will not be covered by the developer and will ultimately fall on the householder to pay.

- ii. Larger refuse bins for properties with five of more residents – estimated income £44,000 per annum

The 'Recycle for Dorset' policy entitles families of five or more to apply for a larger 240l refuse bin instead of the standard 140l bin. It is proposed to charge a fee of £33 for this container swap. Only families eligible under the policy will be entitled to apply and pay for this larger container. In exceptional circumstances where a 360l bin is required, the charge would be £55.

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### iii. Additional refuse sacks (ARC) for families with a 140l bin and one or more children in nappies – estimated income £29,000 per annum

It is proposed to revise the policy for eligibility to these sacks to restrict the availability of the ARC sacks to families who are not entitled to a larger 240l refuse bin (i.e. 5+ in household), and to charge for these sacks at £13 for 26 sacks. The household must re-apply and pay annually to receive this entitlement.

Amend policy wording to: *Families with one or more children in disposable nappies under three years of age, who are not entitled to a larger capacity rubbish bin for a large family, can apply to the DWP for additional residual waste capacity.*

### iv. Smaller recycling bins – nominal income

Members have previously agreed to stop providing smaller recycling bins to reduce flexibility in the scheme and the associated cost. In instances where a smaller 140l recycling bin requested as a personal preference, a charge of £20 is made. It is proposed to increase this to £28. Where there is an operational need to provide the resident with a smaller recycling bin no charge will be made. This decision would be at the Operations Manager's discretion. Examples where this may apply would be to enable a resident to continue using a wheeled bin instead of putting them on an assisted collection, or an assessment by a DWP officer determining that a particular property is not suitable for a larger wheeled bin due to space or access issues.

### v. Larger recycling bin requests – nominal income

Where a resident opted for a smaller recycling bin at implementation, a charge of £20 is currently made if they later decide they need a larger bin. It is proposed to increase this to £28.

### vi. Replacement of lost or damaged communal bins – income up to £5,000

Communal wheeled bins (770l and 1100l bins) are expensive and it is proposed that a charge is made for replacing lost or damaged containers: 770l at £114 and 1100l at £146. A separate charge may be identified at a later date for replacement lids and pins.

## 4. **Lost and Damaged containers**

4.1. At this time we are not proposing to introduce charges for replacement of lost or damaged containers. This is primarily due to the volume of containers within this category (estimated to be 9,000 in 2015/16). Whilst this would result in additional income in the region of £180k per annum, there are concerns about the potential negative impact on recycling rates (if we charge for replacement recycling containers), as well as the significant additional operational, I.T and administration resource that would be required to manage this operation.

4.2. Additional investigatory work is required to determine the costs of these potential implications which could outweigh or reduce the benefits. Additional data will now be gathered through the e-forms which are being adapted to capture more information as to the reasons behind the lost/damaged containers. This will provide a more informed picture and assist the decision making on this point in the future.