



Dorset Waste Partnership Joint Committee

Date of Meeting	16 th January 2017
Officer	Gemma Clinton, Head of Service (Strategy), Dorset Waste Partnership
Subject of Report	Charging for 'Recycle for Dorset' containers – results of public consultation
Executive Summary	This report provides members with the results of a public consultation to gain views regarding the Dorset Waste Partnership (DWP) charging for certain 'Recycle for Dorset' containers.
Impact Assessment:	Equalities Impact Assessment: Included in Appendix 3 of this paper
	Use of Evidence: Environmental Protection Act 1990 (EPA), S46: Receptacles for household waste
	Budget: Predicted income is dependent on which options members decide to start charging for. The total of all options would generate an income of approximately £124,000 per annum from June/July 2017. This income will be reduced by ongoing administration and IT development costs of approximately £40,500. It should be noted that these costs will be incurred regardless of which options members decide to take forward.
	Risk Assessment: Having considered the risks associated with this decision using the County Council's approved risk

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	<p>management methodology, the level of risk has been identified as: Current Risk: LOW Residual Risk MEDIUM</p> <p>There is a risk of reputational damage linked to approving potentially controversial charges, particularly around charging larger families for larger containers.</p>
<p>Recommendation</p>	<p>Other Implications: None</p> <p>That the Joint Committee:</p> <ol style="list-style-type: none"> 1) Approve the proposals to commence charging for the provision of the following DWP containers as detailed in para 3.3 of the report: <ol style="list-style-type: none"> i) New developments ii) Larger rubbish bins (for properties with five or more residents) iii) Additional rubbish sacks (for families with a 140Litre rubbish bin and one or more children in nappies) iv) Replacement of lost or damaged communal bins 2) Agree the increase in charges for the following container swaps as detailed in section 3.3 of the report: <ol style="list-style-type: none"> i) Smaller recycling bins ii) Larger recycling bins 3) Amend the 'Recycle for Dorset' policy wording relating to additional refuse sacks as identified in paragraph 3.3 (iii) of this report 4) Delegate authority to the Director of DWP, following consultation with the chair of Joint Committee, to review the level of charges and make any further policy changes regarding charging for containers
<p>Reason for Recommendation</p>	<p>Implementing the proposed policy and charges would allow the DWP to recover the costs of purchasing and delivering some of the household waste containers as permitted by the EPA 1990 (s 46), resulting in an avoided financial burden of up to approximately £124,000 per annum depending on which options are taken forward (minus an annual admin charge of £25,521 and a one of IT cost of £15,000). The Net saving to the DWP in year 2 would be £98,479.</p> <p>Without the introduction of a charging policy for these specific 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>

Charging for 'Recycle for Dorset' containers – results of public consultation

Appendices	Appendix 1: Consultation Report Appendix 2: Consultation Publication Table Appendix 3: Equalities Impact Assessment
Background Papers	Joint Committee Report - Charging for 'Recycle for Dorset' containers (September 2016)
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1. Introduction

- 1.1. In September 2016, members considered a paper recommending charging for various 'Recycle for Dorset' containers. The Joint Committee supported the recommendations of this report, and requested a 30 day public consultation to be undertaken.
- 1.2. The public consultation is now complete with over 4,300 responses and members are now asked to consider the results. In total 58% of households who completed the survey were living in 1 or 2 person households and 51% were aged 55 and above. Additional work was undertaken to target the consultation at households with children as it was recognised that this group of people would be particularly affected by the charging policies for larger families and sacks for nappies. This included publicity of the consultation by the Family Information Services on our behalf and resulted in over 1,400 (33%) responses from households with children.
- 1.3. In order to commence taking payments, processes and e-forms will need to be developed or amended. There is an anticipated one-off IT development cost of around £15,000 associated with this project and officers felt it prudent to wait until a definitive decision is made on which options are being taken forward before incurring this cost. If the recommendations in this report are agreed, it is anticipated that the necessary development work will be complete and payments could be taken from June/July 2017.
- 1.4. There will be additional administration resource required to manage the extra customer contact and processes. It is imperative that members note that if only one or two elements of the charging proposals are taken forward, the associated income/savings will be reduced as the DWP will still incur the same ongoing administration and IT development costs. Savings may not offset these costs which are required to manage and facilitate this project.

2. Background

- 2.1. 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.
- 2.2. 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

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introduction of the scheme more attractive to Dorset residents, there are on-going revenue and capital costs as a result.

- 2.3 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.
- 2.4 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 estimated to be in the region of £100,000 per annum.
- 2.5 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.

3 Proposals for charging

- 3.1 Agreeing all the charges proposed in Section 3.3 of this report may generate income in the region of £124,000 per annum. The charges and income identified include the 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. All income levels are based on assumptions.
- 3.2 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 £25,521 per annum. 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.
- 3.3 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. If this cost is not covered by the developer it will ultimately fall on the householder to pay.

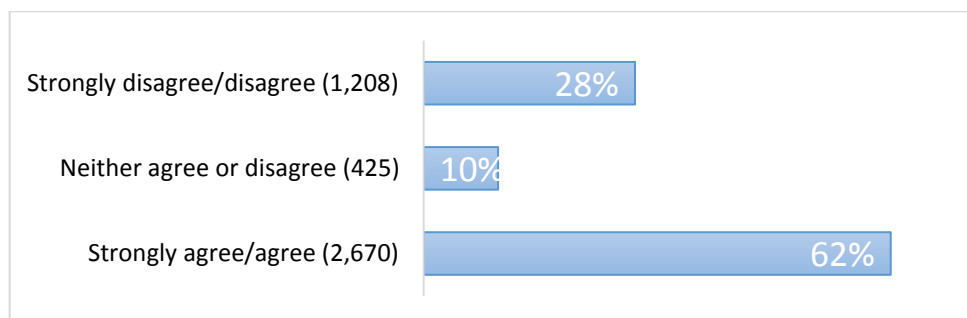
Consultation questions and responses

Containers for New Properties

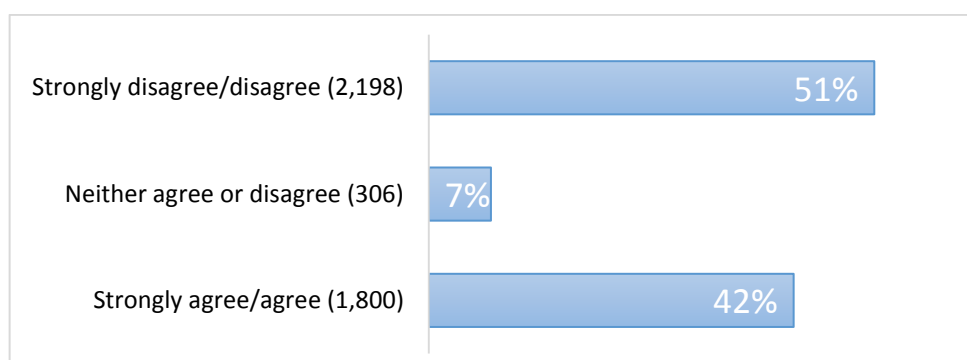
Each year over 900 new properties are built in Dorset by developers. Each of these homes need new recycling and waste containers. This has an annual cost in the region of £46,000 to purchase and arrange delivery of these bins.

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Do you agree that the council tax should be used to fund the cost of waste containers for new properties?



Where an application is made for a full set of 'Recycle for Dorset' containers for a new property, do you agree that a one-off charge of around £55 - to be paid by the property developer or homeowner - is reasonable?



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.

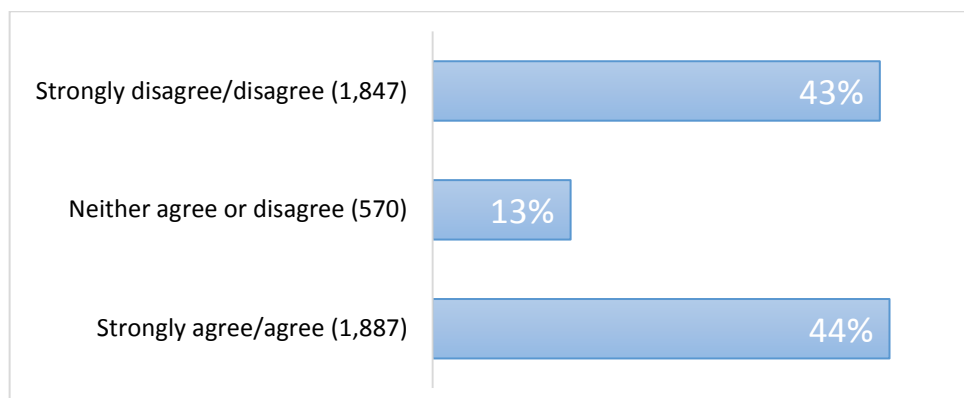
Consultation questions and responses

Additional Rubbish Capacity - larger family of 5 or more people

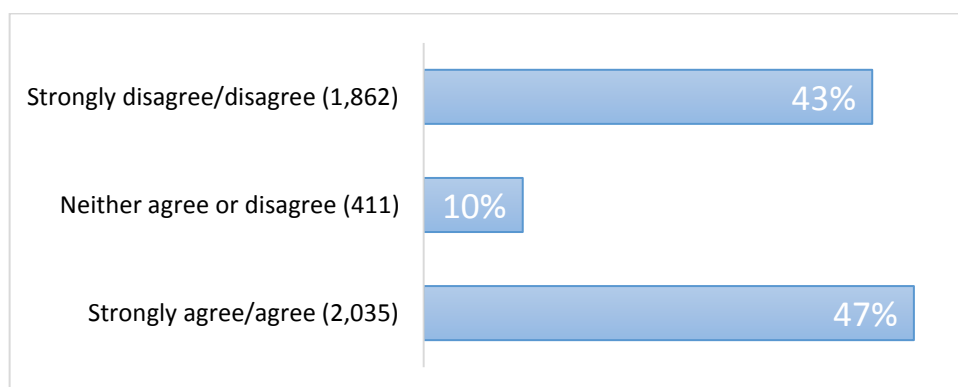
About 1 in 20 households apply for extra capacity due to having a larger family. Delivering bigger containers (when requested) to large family households has an associated annual cost of around £33,000 to the Dorset tax payer. This amount doesn't cover the cost of disposing of additional waste already collected from larger families.

Please note that any proposals would only affect new applications for larger containers - larger families that are already eligible for and have additional capacity would be unaffected by potential future changes to the service policy.

Do you agree that council tax should be used to fund the cost of bigger bins for larger families?



Do you agree that a one off charge of around £35 is reasonable where an application is made by a larger family for a bigger rubbish bin?



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.

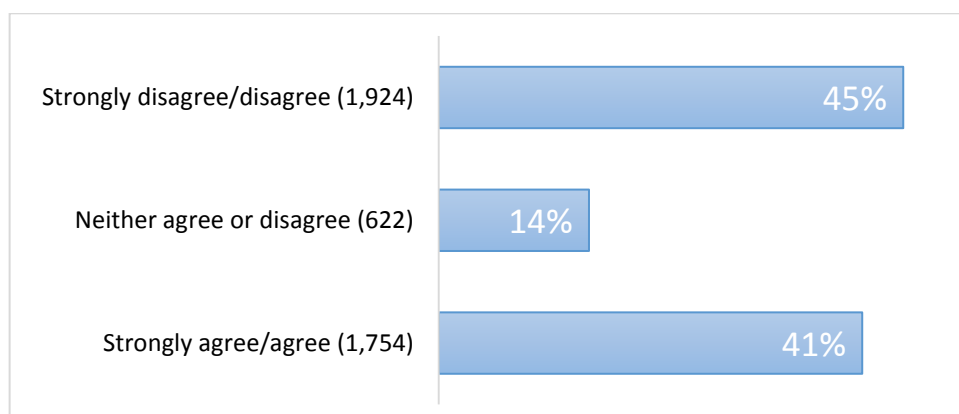
Amend policy wording to: *Families with one or more children in disposable nappies under three years of age, who are not entitled to a larger capacity rubbish bin for a large family, can apply to the DWP for additional residual waste capacity.*

Consultation questions and responses

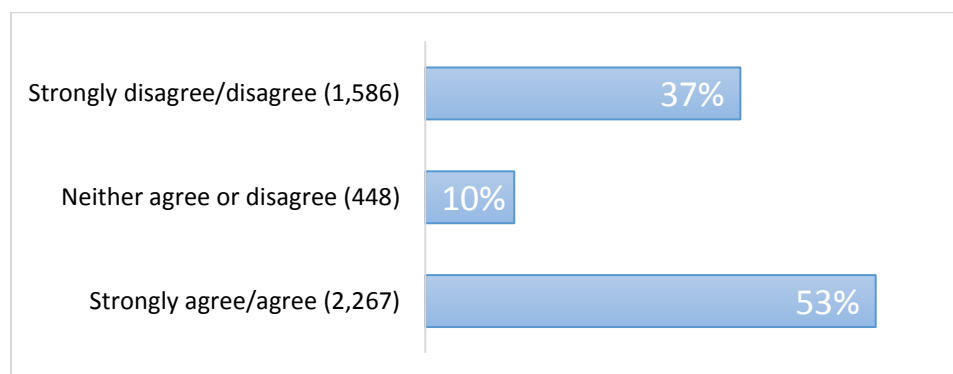
Additional Rubbish Capacity - families using disposable nappies

About 1 in 50 Dorset households apply for additional sacks because they use disposable nappies for their young children. Providing additional sacks for these families has an annual cost of around £20,000 to the tax payer.

Do you agree that council tax should be used to fund the cost of providing additional rubbish capacity for families with children in disposable nappies?



Do you agree that an annual charge of around £15 (the actual cost) is reasonable when a family requests extra rubbish sacks due to the use of disposable nappies?



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. No questions were asked in public consultation regarding this specifically.

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. No questions were asked in public consultation regarding this specifically.

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. No questions were asked in public consultation regarding this specifically.

4. Lost and damaged containers

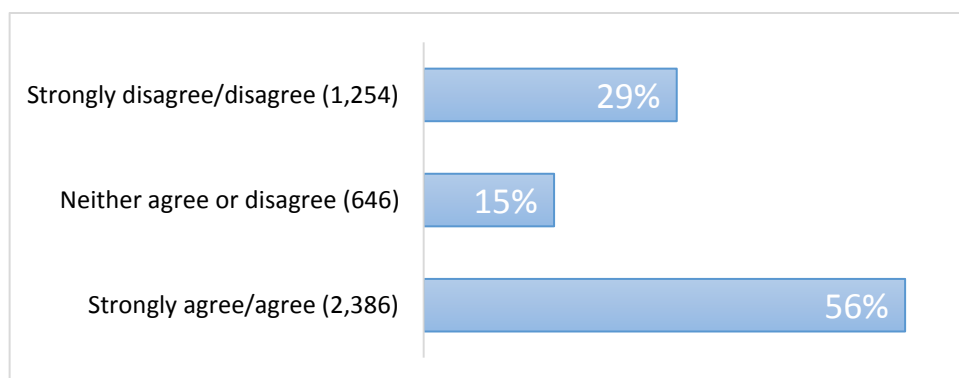
4.1 At this time, we are not proposing to introduce charges for replacement of lost or damaged containers, however questions relating to lost/damaged bin charges were included in the consultation to enable more informed decision making in the future. The results of the consultation have re-affirmed our concerns and officers are not recommending this option is pursued at this time. Whilst charging for lost and damaged containers 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.

Consultation questions and responses

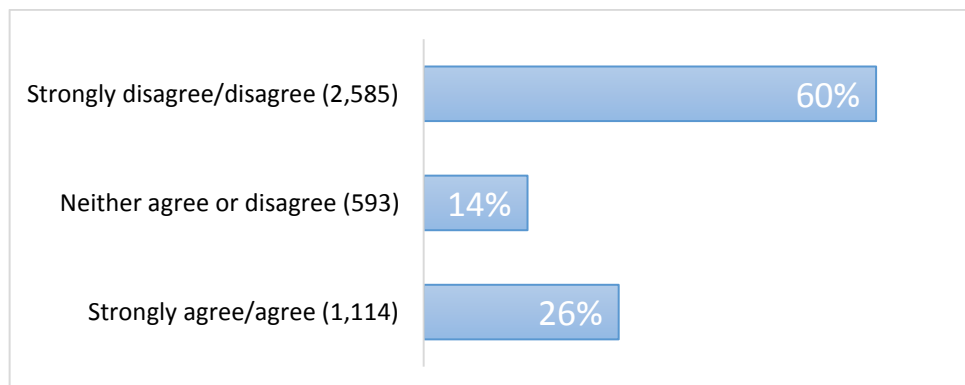
Replacement of Lost or Damaged Containers

The DWP replaces around 9,000 containers each year where they are reported as lost or damaged. The associated cost of this is in the region of £159,000. However, it is important that we balance this cost against ensuring recycling rates remain high across the county. Please note, container charges would not apply where containers are damaged during emptying.

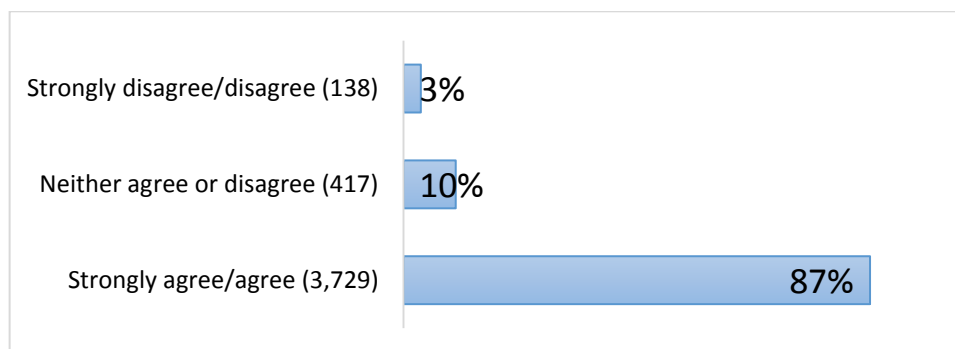
Do you agree that council tax should be used to fund the cost of replacing lost or damaged containers?



Do you agree that the cost of replacing lost or damaged containers should be charged to the residents? (e.g. costs for replacing a rubbish or recycling wheeled bin.)



Do you agree that by charging residents for replacement containers some people may refuse to pay and end up putting all their waste in one bin?



Additional questions were asked regarding the level of charges – please see the consultation report in Appendix 1 for details.

5. Overall Charges

The consultation also asked residents to state which options they found 'most acceptable/least unacceptable'. It was made clear in the survey that by partaking in this ranking exercise, residents were placing the options in order of preference, i.e. most acceptable might mean they still found it unacceptable, but preferable over the other options.

The ranking of options to be taken into consideration is as follows:-

Ranked 1st	Charging for containers for new properties	51%
Ranked 2nd	Charging for larger rubbish bins (for families of 5+ residents)	41%
Ranked 3rd	Charging for additional rubbish sacks (for families with children in disposable nappies)	34%
Ranked 4th	Charging for lost or damaged containers	53%

It is recommended that the DWP charge for all containers detailed in this report apart from the lost and damaged containers. This is due to the results of the consultation and the need to make savings. Savings need to occur now and to mitigate both the increasing budget pressures on partner councils and the fact that circa 1,300 new properties will be being built each year.

Charging for lost and damaged containers is not only the least acceptable option for residents but it also comes with the most risk. The impact on recycling rates if residents chose not to buy replacement bins could outweigh any financial savings of charging for containers.

**Karyn Punchard,
Director of Dorset Waste Partnership
December 2016**