



REPORT TO:	Cabinet
DATE:	13 December 2023
SUBJECT:	Garden Waste Fees and Charges
PURPOSE:	To review the charges for garden waste collections, and set fees and charges for garden waste collection 2024/25.
KEY DECISION:	<i>N/A</i>
PORTFOLIO HOLDER:	Councillor Callum Butler
REPORT OF:	Assistant Director Neighbourhood Services
REPORT AUTHOR:	Operations Manager
WARD(S) AFFECTED:	All
EXEMPT REPORT?	<i>No</i>

SUMMARY

The operating costs for waste services have increased significantly, including fuel, employee costs and the cost of vehicle maintenance/replacement. The charges for the kerbside garden waste collection service have not increased for 3 years.

This report proposes to increase the 2024/25 charges for garden waste collection to £50 for the first bin and £30 for subsequent bins to meet increases in costs and in doing so, support the cost of service provision and to ensure that non-users are not subsidising the service.

RECOMMENDATIONS

That the Cabinet:

- i) Approve an increase in garden waste fees to £50 for the first bin and £30 for subsequent bins, with effect from 1 January 2024

REASONS FOR RECOMMENDATIONS

To meet the full cost recovery in the service delivery and ensure that the service is not subsidised.

To support the Council's medium term financial plan by identifying service efficiencies and additional revenue.

To strengthen the Council's financial position to help maintain a balanced budget

OTHER OPTIONS CONSIDERED

Not to approve the charge increase. This would not support the need to ensure that the charge meets the cost of service delivery and that non-users are not subsidising this service.

1. BACKGROUND

- 1.1 The review of garden waste collection fees in particular needs to be undertaken now so that there is sufficient lead in time to allow the charges to be implemented for collections in 2024/25. The charges have not been reviewed for some time and no longer reflect the cost of providing the service due to extensive inflationary pressures which are well documented.
- 1.2 By way of context Waste Collection Authorities are able to charge for the provision of kerbside garden waste collection.

2. REPORT

Garden waste

- 2.1 Garden waste is not considered 'household waste', under The Environmental Protection Act 1990, therefore the Council has no statutory duty to provide a separate kerbside garden waste collection service. Where this service is provided, a charge can be made under The Controlled Waste (England and Wales) Regulation 2012 to cover those costs.
- 2.2 The Council introduced the kerbside garden waste collection service in 2012 and introduced a charge for collections in 2015. This charge was made to ensure that only those residents using the service paid for it. The current charge for this service is £40 for purchase of a 240L bin, £45 for the collection of the first bin, and £20 for each subsequent bin.
- 2.3 When setting fees and charges, the Council must ensure the service receives full cost recovery. This service is only allowed to cover its costs which includes a reserve to fund future vehicle and equipment replacement costs. The current charging structure does not currently cover funding vehicle and equipment replacement costs.
- 2.4 The table below sets out the current annual subscription charges for neighbouring Lincolnshire Local Authorities. It is also of note that other local authorities are also considering increasing their charges for garden waste collections to meet the rising operational costs.

Green Waste Service Charges Lincolnshire

	<i>Boston BC</i>	<i>City of Lincoln</i>	<i>North Kesteven DC</i>	<i>West Lindsey DC</i>	<i>South Holland DC</i>	<i>East Lindsey DC</i>	<i>NE Lincs Council</i>	<i>South Kesteven DC</i>
<i>Annual fee</i>	£45	£39	£40	£39	£52	£50	£39	£49
<i>Subsequent bin collection fee</i>	£20	£15	£8	£39	£30	£50	£39	£49

2.5 The report proposes to increase the subscription charge to £50 for the first bin per year and a reduced subscription charge of £30 for additional bin requests at the property.

2.6 The table below shows the current number of subscribers to the service;

No. of bins	No. of subscribers
1	9,533
2	1,986
3	262
4	95
5	10
6	6
7	2
8	3
Total number of subscribers 2023/24	11,897

2.7 The financial pressures including inflationary and growth pressures are set out in the financial section of this report.

2.8 Appendix A of this report sets out the financial implications of increasing the garden waste charges.

2.9 Customers subscribe to the service annually and receive 20 kerbside collections of garden waste fortnightly between March and November. At £50 per year for the first bin, this equates to a charge of £2.50 per collection and at £30 for subsequent bins, this equates to £1.50 per year per collection. Residents who choose not to pay the subscription charge can take their garden waste to the Household Waste Recycling Centre in Boston free of charge.

Implementation

2.10 If approved, the charges for garden waste subscription will be applied from 1 January 2024, to enable the opening of the online payments for the 2024/25 service. The new charges will be included in the fees and charges schedule for 2024/25.

3. CONCLUSION

3.1 The Council's operating costs for these services have increased significantly, including fuel, employee costs and vehicle maintenance/replacement. Introducing these new charges will offset the additional costs incurred, safeguard the delivery of these services and ensure full cost recovery is taking place.

EXPECTED BENEFITS TO THE PARTNERSHIP

This report aligns the charges for kerbside garden waste collection more closely to that charged by the other Councils within the South and East Lincolnshire Councils Partnership.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCILS' PARTNERSHIP

None

CORPORATE PRIORITIES

Priority 1 People Focused 'improve its public spaces'; Priority 3 Environmental Awareness and Accountability 'produce less waste and recycle more'; Priority 4 Delivering high quality services and maximising use of technology to support residents 'generate income to support council ambitions'.

STAFFING

None

WORKFORCE CAPACITY IMPLICATIONS

None

CONSTITUTIONAL AND LEGAL IMPLICATIONS

The classification of waste and ability to charge for services is provided in The Environmental Protection Act 1990 and The Controlled Waste (England and Wales) Regulations 2012.

DATA PROTECTION

None

FINANCIAL

The report will ensure cost recovery and generate income to offset additional costs arising from inflationary factors such as pay awards, fuel increases etc.

The tables set out in appendix A detail the additional income that could be generated from the price increase with some sensitivity analysis to show the impact of any potential loss of customers from the price increase.

The table below sets out a summary of the potential additional income:

	24/25	Forecasted extra income based on option selected V base income budget 23.24
	£	£
BASE INCOME BUDGET 23/24	579,050	
Option 1 - revised income, no reduction in customers	665,770	86,720
Option 2 - revised income, 5% customer drop off	632,500	53,450

In addition to this, a growth in the service from new subscribers is expected to raise an additional £15,500.

Current expected service costs for 24/25 are equating to approximately an additional £100k arising from inflationary increases.

RISK MANAGEMENT

Not increasing fees and charges could put at risk the efficiency of delivery for the kerbside garden waste collection service and will mean that non-users will be subsidising this service in a way which was not intended when the service was established.

A risk is that demand for the service will reduce following any increase in fees. In order to mitigate this, an allowance has been made within the financial projections for a reduction in demand.

STAKEHOLDER / CONSULTATION / TIMESCALES

REPUTATION

The Council is expected to maximise recycling opportunities and contribute to the wider Lincolnshire Waste Partnership priorities.

CONTRACTS

The vehicles used to deliver this service are included in the Council's vehicle maintenance contract.

CRIME AND DISORDER

None

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

None

HEALTH AND WELL BEING

None

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

The garden waste collected by the service is composted, re-used, and reduces the contamination in household waste collected.

LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER

None

ACRONYMS

None

APPENDICES

None

BACKGROUND PAPERS

No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.

CHRONOLOGICAL HISTORY OF THIS REPORT

(If none then insert the wording 'A report on this item has not been previously considered by a Council body'. Also delete the below text/boxes.)

Name of body	Date

REPORT APPROVAL

Report author:	Matt Fisher, Operations Manager
Signed off by:	Victoria Burgess, Assistant Director – Neighbourhoods
Approved for publication:	Victoria Burgess, Assistant Director – Neighbourhoods

Financial Implications

The proposal for the new fees in 24/25 sets the charge for the first bin at £50 and any subsequent bins at £30. A sensitivity analysis has been carried out and detailed below:

ASSUMING NEW PRICES 1ST BIN £50, SUBSEQUENT BINS £30			
CURRENT INCOME 23/24	No. bins	Bin charge £	Total Income £
EXISTING 1ST BINS	11897	45	535,365
EXISTING 2ND OR MORE BINS	2364	20	47,280
			582,645

PROPOSALS FOR 24/25	No. bins	Bin charge £	Total Income £	Option 1
EXISTING 1ST BINS	11897	50	594,850	
EXISTING 2ND OR MORE BINS	2364	30	70,920	
			665,770	Assumes no reduction in customers

PROPOSALS FOR 24/25	No. bins	Bin charge £	Total Income £	Loss of cust	Option 2
EXISTING 1ST BINS	11300	50	565,000	5%	
EXISTING 2ND OR MORE BINS	2250	30	67,500	5%	
			632,500	Assumes 5% attrition	

Summary of potential additional income

ASSUMING NEW PRICES 1ST BIN £50, SUBSEQUENT BINS £30	24/25	Forecasted extra income based on option selected vs base income budget 23/24
	£	£
BASE INCOME BUDGET 23/24	579,050	
Option 1 - revised income, no reduction in customers	665,770	86,720
Option 2 - revised income, 5% customer drop off	632,500	53,450

Growth

Growth 24/25	Bins	£
Additional growth	310	15500