

 <p>WEST OXFORDSHIRE DISTRICT COUNCIL</p>	<p>WEST OXFORDSHIRE DISTRICT COUNCIL</p>
<p>Name and date</p>	<p>Environment Overview & Scrutiny Committee 30 September 2021</p>
<p>Report Number</p>	<p>Agenda Item No. 5</p>
<p>Subject</p>	<p>Cabinet report - Consideration of the introduction of Waste & Recycling Container Delivery Charging</p>
<p>Wards affected</p>	<p>All</p>
<p>Accountable member</p>	<p>Councillor Norman MacRae, Cabinet Member for Environment; Email: norman.macrae@westoxon.gov.uk</p>
<p>Accountable officer</p>	<p>Scott Williams, Business Manager – Contracts Email: scott.williams@publicagroup.uk</p>
<p>Summary/Purpose</p>	<p>To consider the Cabinet report which:</p> <ul style="list-style-type: none"> • outlines the results of a review which has been completed on the numbers and costs of delivering waste and recycling containers to households in the district, and • proposes options (2.4-2.11) to introduce a charge for container deliveries.
<p>Annexes</p>	<p>Annex A - Container Delivery Charging, Pricing Options Annex B - Container Delivery Charges in other Authorities</p>
<p>Recommendations</p>	<p>That the Committee decides whether to express a view to the Cabinet meeting on 13 October 2021.</p>
<p>Corporate priorities</p>	<p>If approved by Cabinet, the proposal contained within this report supports the Council priority: Climate Action - Leading the way in protecting and enhancing the environment by taking action locally on climate change and biodiversity.</p>
<p>Key Decision</p>	<p>No</p>
<p>Exempt</p>	<p>No</p>
<p>Consultees/ Consultation</p>	<p>The following people have all been consulted on this report and the detail contained within:</p> <p>Councillor Norman MacRae and Senior Council, Publica and Ubico officers.</p>

1. BACKGROUND

- 1.1. West Oxfordshire District Council (WODC) uses a twin stream method of recycling collection from households in the district, whereby residents present their recycling materials in different containers, with the items being collected by Ubico Ltd.
- 1.2. It's important that recycling materials are segregated from residual waste (refuse) in accordance with the waste hierarchy, in order to maximise the amount of material which can be recycled.
- 1.3. To facilitate the separation of recyclables and for households to be able to access the recycling collection services, the Council provides free of charge - 1 x recycling box (for the presentation of glass bottles & jars), a blue lidded 240 litre bin (for presentation of paper, cardboard, cartons, mixed plastic bottles, pots, tubs & trays and cans & tins, and foil), and 2 x food waste containers (1 x internal 7 litre caddy & 1 x external 23 litre food waste bin) per property. The Council also provides 1 x 240 litre wheeled bin for refuse and 1 x 240 litre wheeled bin for households wishing to subscribe to the garden waste collection service.
- 1.4. In addition, residents can request additional containers if their household is regularly producing more recycling than their containers will hold, and deliveries of all containers are made by Ubico Ltd.
- 1.5. Whilst many requests for additional recycling containers will be genuine, officers are aware that some requests are not and particularly recycling boxes and kitchen caddies have been witnessed being used for other purposes - such as removal boxes, garden tool boxes and outdoor toy boxes, and there is evidence that a substantial number of recycling boxes are used at allotments.
- 1.6. In addition, there is evidence to suggest that certain households make repeated requests periodically for the same containers at considerable cost annually (£413,360 in 2020/21) to the Authority and ultimately the council tax payer, as well as having a negative impact on the environment due to an increase in CO2 emissions, as a result of the delivery of the new containers.
- 1.7. The Council achieves a good level of recycling and composting performance at 61% (2020/21) which it wants to maintain and improve upon, so is keen to provide the necessary containers for residents to take part. However, it is clear from the sustained numbers of requests, that there is a significant ongoing cost to the Council (in the revenue requirement to purchase the containers and for the deliveries completed by Ubico), as detailed in this report.
- 1.8. This is an issue facing a significant number of Councils and as long ago as 2011, many were already charging for the provision (or delivery) of receptacles. Examples of the range of Councils charging for this service and their charging levels are set out at [Annex B](#), which includes Cotswold District Council which introduced container delivery charging earlier this year.

2. MAIN POINTS

Demand

- 2.1. The ongoing demand for containers and the financial impact of this demand has led officers to review how the Council manages and finances the container service, so that Councillors can make informed decisions to manage demand and promote awareness of the costs of the service.

- 2.2. In 2020/21, the Council received requests for and delivered/issued over 24,891 containers. Residents are usually able to collect smaller containers from the Town Centre Shop in Witney and a small proportion of customers do take up that option, but this was closed for a large proportion of 2020/21 due to the Coronavirus pandemic lockdowns, so none were issued. A breakdown of the numbers of each type of container delivered, is outlined in the table below.

2020/21	Green bins	Black bins	Recycling bins	External food caddy	Internal food caddy	Recycling Boxes	Total
Delivered	2650	1846	7143	5112	2982	5158	24,891

Options

- 2.3. Based on evidence of what other authorities charge for containers ([Annex B](#)), the Council could introduce a charge for container purchases and deliveries, or solely for deliveries. However, with the waste and recycling service redesign coming up in 2024, there may be issues if the Council were to make changes to the service which meant that certain receptacles were no longer relevant for waste and recycling presentation, as residents who had 'purchased a container' would feel out of pocket. Therefore, for the purposes of this proposal, it is recommended that focus only be given to 'container delivery' charging where the Council still owns the containers.
- 2.4. The Council could introduce delivery charging for all refuse, recycling, food and garden waste replacement and additional containers. Alternatively, any combination of container deliveries for those waste streams could be charged for i.e. refuse, recycling and food waste containers.
- 2.5. As the Council already levies a charge for the garden waste service, it would be prudent not to charge for delivery of a bin to a new property which doesn't have one and purchases a licence. Although, a charge may be deemed appropriate for any households wanting an additional or replacement garden waste bin.
- 2.6. It would be recommended that new developments receive a free delivery of refuse, recycling and food waste container provision or those subscribing to the garden waste service and not having a bin, so that those residents could access the services however, any additional container requests would be subject to the delivery charges.
- 2.7. Where a household was to request multiple containers such as 1 x 240l refuse bin, 1 recycling box, and 1 of each of the kitchen caddies in a single order, then it would be prudent for the customer to only be charged for the highest single delivery charge item i.e. the 240l refuse bin – particularly as the delivery vehicle would be making a single trip.
- 2.8. When a container was stolen or was damaged by the Ubico crew, while making a collection, then it would be recommended that those customers would not be charged for the replacement to be delivered.
- 2.9. Container collections from the Town Centre Shop could be continued as an alternative option for residents to delivery charges, but having seen a significant increase in customers taking this option in Cotswold District Council when container delivery charges were introduced there, this would likely mean a net increase in demand at the Town Centre Shop and negative CO2 emissions through additional vehicular movements.
- 2.10. Alternatively, this option could be removed completely, which would free up some customer services resource and storage space at the Town Centre Shop. However, in which case, it

would not be anticipated that any savings made in this area would offer a cashable benefit to the authority as the function makes up only a part of the larger front of house role. On balance, it is recommended that containers should not be collected from the Town Centre Shop if the Cabinet is minded to introduce a charging scheme, as this only benefits residents who are able to travel to Witney and comes at an environmental disadvantage.

- 2.11. Having reviewed the charges being levied in other local authorities, there is a wide range within which the Council could choose to set delivery charges. For the purposes of this review and balancing the risks around not deterring residents from taking part in the recycling collection services, with offsetting some of the container purchase and delivery costs, pricing options with varying levels of income based on demand are presented at [Annex A](#).

Benefits

- 2.12. If approved, the introduction of container delivery charges would have the following benefits:
- Increase in income to offset some of the costs of container purchases and deliveries;
 - Likely reduction/removal of spurious requests for additional recycling containers and associated container revenue savings in lower demand;
 - Reduction in fuel usage by Ubico delivery teams and associated savings in delivery costs and a new reduction in CO₂ produced by Ubico, but also by residents if the option to collect smaller items from the Town Centre Shop is removed.

3. FINANCIAL IMPLICATIONS

- 3.1. In order to provide the containers and retain sufficient stock levels, the Council spent £214,804 on purchases in 2020/21. In addition, Ubico's costs of providing container deliveries were £198,556 in 2020/21. This means that the Council spent an estimated total of £413,360 on container purchasing and deliveries in 2020/21 and those costs don't take into account any administration or support costs undertaken by Publica.
- 3.2. Taking the 2020/21 usage numbers and assuming there would be a reduction in recycling and food waste container delivery demand, as a result of the implementation of delivery charges, through the predominant removal of spurious requests across the board (estimated at -10%), the delivery demand would be estimated to be;

2020/21	Green bins	Black bins	Recycling bins	External food caddy	Internal food caddy	Recycling Boxes	Total
Delivered	N/A	N/A	N/A	4140	2415	4178	24,401

- 3.3. Using the mid-point of charging rates as set out in [Annex A](#) multiplied by the numbers above, the estimated additional income would be;

2021/22	Green bins	Black bins	Recycling bins	External food caddy	Internal food caddy	Recycling boxes	Total
Delivered	N/A*	N/A*	N/A*	£31,050	£18,112	£31,335	£80,497

*assumes that the majority of requests for refuse, recycling and garden bins are from new customers and so delivery charge would not apply

- 3.4. If realised, the additional income derived from container delivery charging would contribute 40% to offsetting the costs of the Ubico container delivery service.
- 3.5. For comparison purposes, if the lower or higher charging rates presented in [Annex A](#) were used, then the estimated income would be £53,664 and £107,329 respectively.
- 3.6. With lower demand on containers, deliveries would be made in a shorter time period, thus improving the customer experience. However, as this resource would still be required, there are no identifiable cashable savings, which could be taken.

4. LEGAL IMPLICATIONS

- 4.1. The Council is required to collect household waste but it can dictate how the waste must be presented for collection. It can also introduce a charge for container deliveries as other Local Authorities have done and shown at [Annex B](#).
- 4.2. The current Environmental Services Policy does not have the facility to charge for the delivery of containers, however if approved by Cabinet, container delivery charges would be included and the policy updated.

5. RISK ASSESSMENT

- 5.1. The main risk associated with the introduction of container delivery charges as set out in this report would be to deter residents from participating in the recycling collection services to such an extent that it would negatively affect recycling performance and the income generated from recycling credits.
- 5.2. The majority of households already have provision of the necessary recycling containers and judging by the Council's performance, participation is high. So, whilst this is a risk to performance, in local authorities where similar schemes have been introduced there has not been a negative impact on recycling rates, so the risk is low and officers will monitor this risk and report any negative impact.
- 5.3. There is also a risk of increased work for the customer service team to process the payments however this would be largely if not completely offset by the reduction in calls as a result of the lower demand for additional containers with the predominant cessation of spurious requests. In addition, through effective use of the website, the ordering and payment process would be largely automated.
- 5.4. The introduction of the Environmental Services System with In-Cab technology will also allow for container deliveries to be managed more effectively.

6. EQUALITIES IMPACT

- 6.1. As part of the Environmental Services Policy, special dispensation can be given in certain circumstances to residents with disability/infirmity and already receiving an assisted collection. It is proposed that this clause be carried into any revision of the Environmental Services Policy to ensure that certain residents are not discriminated against with the implementation of container delivery charges as set out in this report.

7. CLIMATE CHANGE IMPLICATIONS

- 7.1. The introduction of container delivery charges is likely to reduce the mileage required to be completed by the Ubico container delivery crews through a reduction in demand, which would have a direct benefit in reducing the CO2 produced for this element of the service.

- 7.2. In addition, it is likely that the Council would see container demand decrease, as a result of the predominant abolition of spurious requests, meaning that there would be a carbon saving in fewer containers having to be purchased by the authority and therefore produced by the associated manufacturers.

8. ALTERNATIVE OPTIONS

- 8.1. The Council could continue with the current practice of delivering the containers at no charge. However, there is a high demand and significant ongoing costs associated with this service, and it is highly likely that a proportion of requests are not genuine, so this option is not recommended.

9. BACKGROUND PAPERS

- 9.1. None.

Annex A						Container Delivery Charging - Pricing Options		
Option 1	Container	Delivery Charge	No. of Requests			Estimated Income		
Food Waste	7L/23L Kitchen Caddy	£5	500	1000	2000	£2,500	£5,000	£10,000
Recycling	44L Recycling Box & Lid	£5	500	1000	2000	£2,500	£5,000	£10,000
	Blue Recycling Bin	£10	500	1000	2000	£5,000	£10,000	£20,000
Garden Waste	240L Garden Waste Bin	£10	500	1000	2000	£5,000	£10,000	£20,000
Refuse	240L Refuse Bin	£10	500	1000	2000	£5,000	£10,000	£20,000
	360/660/1100L Refuse Bin	£20	500	1000	2000	£10,000	£20,000	£40,000
	Total					£30,000	£60,000	£120,000
Option 2	Container	Delivery Charge	No. of Requests			Estimated Income		
Food Waste	7L/23L Kitchen Caddy	£7.50	500	1000	2000	£3,750	£7,500	£15,000
Recycling	44L Recycling Box & Lid	£7.50	500	1000	2000	£3,750	£7,500	£15,000
	Blue Recycling Bin	£15.00	500	1000	2000	£7,500	£15,000	£30,000
Garden Waste	240L Garden Waste Bin	£15	500	1000	2000	£7,500	£15,000	£30,000
Refuse	240L Refuse Bin	£15	500	1000	2000	£7,500	£15,000	£30,000
	360/660/1100L Refuse Bin	£30	500	1000	2000	£15,000	£30,000	£60,000
	Total					£45,000	£90,000	£180,000
Option 3	Container	Delivery Charge	No. of Requests			Estimated Income		
Food Waste	7L/23L Kitchen Caddy	£10	500	1000	2000	£5,000	£10,000	£20,000
Recycling	44L Recycling Box & Lid	£10	500	1000	2000	£5,000	£10,000	£20,000
	Blue Recycling Bin	£20	500	1000	2000	£10,000	£20,000	£40,000
Garden Waste	240L Garden Waste Bin	£20	500	1000	2000	£10,000	£20,000	£40,000
Refuse	240L Refuse Bin	£20	500	1000	2000	£10,000	£20,000	£40,000
	360/660/1100L Refuse Bin	£40	500	1000	2000	£20,000	£40,000	£80,000
	Total					£60,000	£120,000	£240,000

Container Delivery Charges in other Authorities

Container Charge (including administration & delivery)

Authority	Container	Container Charge (including administration & delivery)	Recycling & Composting %
Wigan Council	Replacement Black Bin	£36	45%
	Replacement Blue Bin	£36	
	Replacement Brown Bin	£36	
	Replacement Green Bin	£36	
	Kitchen Caddy	free of charge	
	New Property Black bin	£66	
	New Property Recycling bins (without a Black Bin)	£66	
West Lindsey District Council	Black (refuse) wheeled bins	£33	36%
	Blue (recycling) wheeled bins	£33	
Cheshire East Council	240 litre bins	£30	54%
	140 litre bins	£25	
	360 litre bins	£40	

Administration & Delivery Charge (only)

Authority	Container	Administration & Delivery Charge (only)	Recycling & Composting %
Swindon Borough Council	44 litre recycling box with lid	£7.00	40%
	44 litre recycling box without lid	£5.00	
	Lid only	£2.00	
Stroud District Council	Green recycling wheelie bin	£10.00	59%
	Grey rubbish wheelie bin (replacement only)	£10.00	
	Recycling box	£10.00	
	Recycling bag	£10.00	
Warwick District Council	All containers	£5	56%

Authority	Container	Administration & Delivery Charge (only)	Recycling & Composting %
Southampton City Council	140 litre general waste bin	£30	28% (Recycling only)
	240 litre general waste bin	£40	
	360 litre general waste bin	£50	
Derbyshire Dales District Council	140 litre grey bin	£21.25	57%
	240 litre grey bin	£26.50	
	240 litre green bin	£15.90	
	240 litre blue recycling bin	free of charge	
	Kerbside or Kitchen Caddy	free of charge	
Cotswold District Council	Green recycling wheelie bin	£10	58%
	Grey rubbish wheelie bin	£10	
	Recycling box	£5	
	Recycling bag	£5	
	Kitchen caddy/food waste bin	£5	