

MUNICIPAL YEAR 2016/2017 REPORT NO. 104

MEETING TITLE AND DATE:

Cabinet, 19th October
2016

REPORT OF:

Director – Regeneration &
Environment

Agenda – Part: 1

Item: 15

Subject: Green Bin Service Change

Wards: All

Key Decision No: KD 4376

Cabinet Member consulted:

Councillor D Anderson

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1. EXECUTIVE SUMMARY

1.1 Enfield Council has a challenging savings target of £56m by 2019/20.

1.2 In preparation to find further savings the Green Bin collection service has been considered in terms of alternative service provision, as it is a non-statutory service, unlike refuse and recycling.

1.3 Options around the different variations of the Green Bin collection service, currently a free weekly collection service, have been explored in terms of savings potential, impact on recycling performance and potential impact on resident satisfaction.

1.4 Two options have been taken forward to public consultation:

- **Free fortnightly** combined Green Bin and food collection service
- **Weekly charged (£60 per year)** Green Bin collection service with a separate free food collection service for all kerbside properties.

1.5 The consultation responses showed a clear preference for Free Fortnightly combined Green Bin and food collection service. For the reasons set out in this report officers also consider that the Free Fortnightly combined Green Bin and food collection service should be adopted.

1.6 A process and indicative timescale for implementation of free fortnightly green bin collections is outlined

2. RECOMMENDATIONS

- 2.1 That Cabinet approve the implementation of the recommended option, Free Fortnightly collection, whilst retaining weekly collections of refuse and recycling, as detailed in sections 3.27 – 3.31.
- 2.2 That Cabinet approves to delegate to the Assistant Director Public Realm (in consultation with the relevant Cabinet Member) the decision to procure, negotiate and award contracts (in accordance with the Council's Procurement Rules) for the works and services as appropriate associated with the implementation of a Free Fortnightly collection service.
- 2.3 That Cabinet approve the redirection of capital expenditure, funded through existing borrowing of up to £377k required to implement the service change.

3. BACKGROUND

- 3.1. Enfield Council has a challenging savings target of £56m by 2019/20. It is therefore imperative that the Council explores different ways of delivering services that are more efficient, but that also retain high standards of service for residents.
- 3.2. The savings relating to Regeneration and Environment are £3.2m over the same period.
- 3.3. Though balanced for 2016/17, there is a budget gap remaining in the Medium Term Financial Plan of £13.7m up until 2019/20. The proposals set out in this report would mean that the part year effect of the saving can contribute towards the Council's financial position in 2017/18 should this be agreed.
- 3.4. From 2011/12 to 2015/16, Public Realm has delivered savings of £4.25m and secured £2.4m DCLG funding to retain weekly waste collections and is committed to doing so, which has maintained the high standard of frontline services to residents in Public Realm.

Savings have been delivered through contract negotiations, income generation, staff optimisation and automation of services.

3.5. Further, during 2014/15 the parks, streets and waste services all underwent efficiency reviews to measure: cost, performance and public sector satisfaction. In summary the outcomes were:

- **Street cleansing:** Service offers excellent value for money (£13.0 per person compared to London average of £21.40 per person), with good performance and high customer satisfaction.
- **Parks and Open Spaces:** High productivity with higher satisfaction than the private sector comparators and lower unit costs.
- **Waste and recycling:** High service levels and performance compared to other London authorities. The recommendations included removal of one round and route optimisation of all three services. These recommendations have been delivered and there are no further opportunities for resource reductions without significant service change.

The review included benchmarking with private sector comparators and concluded that all services are effectively fully optimised.

3.6. In 2015 a range of savings were considered to meet the budget gaps predicted in 2016/17 and 2017/18. The savings that were agreed by Council were for frontline service provision in streets and parks from 2016/17. To assist the Council in meeting further future savings officers were asked to review further opportunities within the waste service area, specifically around recycling and the green bin service.

3.7. In order to gain further future savings modelling has been undertaken to reduce the recycling and green bin services.

3.8. Reducing or limiting kerbside comingled recycling services would significantly increase disposal costs and reduce customer satisfaction and recycling performance. Therefore this has not been taken forward and the Council is committed to retaining this service weekly.

3.9. The Green Bin collection service has therefore been considered because it is a non-statutory service and reductions here are

considered to have the least impact on customers and service performance.

Benchmarking - Green Bin Service offers

- 3.10. With the national, regional and local growth in the provision of kerbside recycling and green waste collection systems and the associated costs of these services, there has been a move in other areas over the last decade to alternate weekly, chargeable or fortnightly services.
- 3.11. Given the drive to increase recycling and reduce waste coupled with financial pressures, councils such as Salford City Council have introduced three weekly residual waste collections (black bins) and Fife Council has trialled monthly residual collections.
- 3.12. Analysis shows that nationally there is a wide range of collection types and frequencies which are continually changing. In England, of the 301 authorities that provide green bin services the breakdown of types is as follows:

Table 1 (Source – Waste Resources Action Programme 15/16)

Green Bin Service	% of English Authorities
Free Weekly	18%
Charged Weekly	24%
Free Fortnightly	32%
Charged Fortnightly	26%

- 3.13. London boroughs provide a variety of green bin configurations as set out in the table below.

Table 2 - Summary of Green Bin Collection Services (Delivered by London Boroughs; Source – Resource London September 2016)

Green Bin Service	Number of London Boroughs
Free Weekly	11 (including Enfield)
Charged Weekly	2
Free Fortnightly	4
Charged Fortnightly	12
No service	3
Total	32

Green Bin Options Appraisal

- 3.14. A full options appraisal was undertaken, with specialist technical support, to identify appropriate service provision options that could; provide savings, maintain or improve performance levels, was in line with accepted service provision elsewhere and minimised impact on customer satisfaction with waste and recycling services overall.
- 3.15. The service variables considered within the options appraisal included; collection frequency, seasonal frequency, collection methodology, charging and not operating a garden and food collection service.
- 3.16. The possible service configurations generated using these variables were then reduced down to 10 potentials by removing options that increased costs, did not meet statutory requirements, were a significant service reduction or were nonsensical.
- 3.17. The 10 options were then modelled to assess; likelihood of providing significant savings, impact on recycling performance and the impact on resident satisfaction. The two options that performed the most favourably against the criteria were:
- **Free fortnightly** combined Green Bin and food collection service
 - **Weekly charged** (£60 per year) Green Bin collection service with a separate free food collection service for all kerbside properties.

3.18. Appendix 1 contains full details of the options appraisal process.

Public Consultation

- 3.19. To measure attitudes towards the two service options, and understand the potential impact of each, an online questionnaire, and a hard copy version, was made available to residents across the borough. The questionnaire was available for 12 weeks, between 10th June and 2nd September 2016.
- 3.20. Residents were also offered the opportunity to contact the Consultation and Resident Engagement Services Team if they required assistance in participating in the consultation or required further information. Background information was provided with the questionnaire explaining why the Council wished to change the way in which it provided the Green Bin service, and setting out details of the two options which the Council had identified as preferred options. The questionnaire could be translated online, was clear and concise and wide ranging promotional activity was undertaken to raise awareness of it. The accessibility of the questionnaire was reflected in the proportion of responses submitted by older people and disabled residents
- 3.21. Residents were notified of the consultation exercise via; Our Enfield, Enfield Connected, Website homepage, Social Media, Local media (including ethnic publications) and advertisements in public buildings (civic centre, libraries). This resulted in the highest number of online responses (3,191) to a consultation hosted on the Council website.
- 3.22. The consultation responses showed a **clear preference for Free Fortnightly combined Green Bin and food collection service** with 87% of all respondents preferring this option to the charged weekly option.
- 3.23. Respondents aged over 55 and under 55 indicated the same level of preference (both 87%) and 88% of disabled respondents also preferred Free Fortnightly service.
- 3.24. The consultation enabled respondents to identify alternative suggestions. Seasonal services, such as stopping or reducing the green bin collections in the winter, was suggested by 6% of the respondents. The other options identified are detailed in Appendix 2.

- 3.25. The high participation in the consultation and consistent support for the Free Fortnightly service across different demographic areas demonstrates that the consultation outcomes are robust and that, if the Council chooses to reduce its current service, the introduction of the service would be equally preferred across all areas and groups of the Borough in preference to the charged weekly service.
- 3.26. Appendix 2 contains further details of the consultation outcomes.

Proposal

- 3.27. The proposal is to replace the current free weekly Green Bin and food collection service with one of two options designed to reduce costs. The key elements of the two options; Free fortnightly combined Green Bin and food collection service and Weekly charged (£60 per year) Green Bin collection service with a separate free food collection service for all kerbside properties are compared below:

Table 3 – Options Comparison

	Free Fortnightly	Charged Weekly
Service fee	Free	£60 (per year)
Saving	£350-400k	£700-800k
Implementation	4-6 Months	10-12 Months
Consultation resident support	87%	13%
Estimated Impact on Recycling	0%	-2%
Container replacement	Yes (for 140ltr bins)	Yes (food caddies)
Day Change	Limited	Yes

- 3.28. The Free Fortnightly service provides a smaller saving of the two options however it can be implemented to deliver a saving in a more timely way. The modelling shows it is unlikely to have a negative impact on the recycling performance of this service or on resident's collection days, and has significantly more support from the public (87%) than the Weekly Charged service (13%).
- 3.29. For the reasons outlined earlier (3.1 – 3.9) it is considered that there should be a reduction in the Green bin and food collection service. If the Council decides that it wishes to reduce the service, it is proposed to implement a Free Fortnightly combined green bin and food collection

service borough-wide from March/April 2017. This will apply to all properties with kerbside bins and any current or future communal green waste bins.

- 3.30. The green bins will be collected on the same day of the week, although fortnightly, as the continued existing weekly kerbside residual and recycling collections. Retaining the weekly blue bin recycling service will support increased recycling performance and maintain customer satisfaction with waste and recycling services.
- 3.31. Separate food waste collections at estates and in other communal areas will be unaffected and will continue at their existing collection frequency.

Implementation

- 3.32. The Free Fortnightly service delivers savings through reducing the number of collection rounds by 4; this provides direct vehicle and staff savings.
- 3.33. The replacement programme for the existing vehicle fleet has been delayed in lieu of the service review with replacements due in 2017/18 which will allow this saving to be realised. This will provide a saving from the fleet replacement programme and also reduced maintenance costs from a smaller fleet. Additionally, this will release space at the depot for other alternative uses.
- 3.34. The fortnightly round structure will require a lower number of staff to operate and so will provide staff savings. The proposal will enable permanent roles to be reduced by 12. Vacant permanent roles are currently backfilled with agency staff and so these roles can be deleted with no change to the number of permanently employed personnel and therefore no redundancy costs incurred.
- 3.35. To deliver the proposed service change it will require one-off implementation and ongoing revenue costs. These costs will enable additional resources to be provided to implement the change and also provide ongoing support for the continued service delivery. The costs provide implementation resources, communications prior to and post the change of service and the provision for ongoing waste enforcement. These costs will be met initially from within the service area in 2016/17, but thereafter are included within the overall financial model within Table 4.

3.36. The capital and revenue costs and savings are summarised as follows:

Table 4- Green Bin Service Change –Financial Model

Item	2017/18	2018/19	2019/20
Revenue Costs	156	80	80
Revenue Savings	-368	-491	-491
Net Total Saving	-212	-411	-411
Capital Financing (Borrowing)	52	51	49
Net Impact on Budget	-160	-360	-362

3.37. The required rerouting of rounds to optimise collection efficiency has already been undertaken to calculate potential savings. Final round details will be confirmed using existing route planning software which is already tested and operational.

3.38. A robust communication plan is key to ensuring that residents understand and engage with the new service and will address key issues raised by residents in the consultation.

3.39. The new arrangements for the service will be communicated to every affected resident through the delivery of a range of information and materials to all households utilising the service. These communications will include a calendar detailing collection dates and an overview of the new service in the Council magazine which will be delivered to all 120,000 households in Enfield. Information will also be displayed prominently on our website, adverts placed in the local press and press releases produced to generate editorial coverage. A social media campaign will be delivered through our Facebook and Twitter feeds supported by a borough-wide poster campaign and information displayed in our libraries and customer access centres. Additional communications will also be provided for the public, following implementation, to ensure all residents are made aware of the service provision and their collection days.

- 3.40. The consultation process flagged that some residents currently using smaller 140 litre green bins will require additional capacity with a move to a fortnightly service.
- 3.41. Analysis has shown that approximately 19,000 properties currently use the smaller 140 litre green bin for this service. Residents with the smaller 140 litre green bins will have the opportunity to swap these bins for a larger 240 litre bin free of charge as part of the implementation of the scheme. Only residents with the smaller bins will be eligible to swap them for free at this time.
- 3.42. Residents who are eligible for the bin-swap will be asked to request this swap in advance of the service change and this option will be made clear in the promotional material provided. Should requests be made after the service commencement, a further opportunity will be provided for these residents free of charge until 1st June 2017. Residents who request a larger bin after the 1st June 2017 will be required to pay for this in line with the Council's agreed fees and charges. For logistical reasons, bin swaps will be carried out in batches, with the first batch being delivered before the service change commences. Subsequent delivery batches will be scheduled in accordance with demand. Should a resident be awaiting delivery of a larger bin, officers enforcing the Council's side waste policy will be instructed to apply discretion.
- 3.43. Biffa Waste Services Ltd who compost the organic waste once collected, and Suez UK Ltd who operate the Refuse Recycling Site (RRS) at Barrowell Green are aware of the potential changes and have both confirmed they have capacity and resources to manage any impacts that may result from the service change.
- 3.44. Residents who require additional capacity (other than that in 3.41 above) will still be able to obtain a second green bin for an annual hire charge, or take their excess organic garden material to Barrowell Green RRS for free. Currently 40 residents have a second green bin. The council's existing side waste policy will continue to apply.
- 3.45. A detailed implementation programme will be developed if the proposed recommendations are approved, the key stages of the programme are as follows:
- **Stage 1**-Communications programme will commence from decision being made until service implementation is complete
 - **Stage 2**-Residents with smaller bins only will be able to request to swap for larger bins from November 2016 until January 2017

- **Stage3**-Bin swaps will take place ahead of service commencement
- **Stage 4**-Service will begin March/April 2017

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Continuing with the existing weekly free service would not provide the required financial outcomes for the Council.
- 4.2 An options screening and appraisal exercise determined what changes to the Green Bin service would deliver the necessary savings whilst minimising impact on customer satisfaction and recycling performance. Any alternative options that did not meet this requirement were excluded, including seasonal variations.
- 4.3 A weekly charged for service was included in the public consultation process but was clearly, from the responses received, not the preferred option.
- 4.4 Separate food waste collections cannot be implemented and deliver savings unless a charged for green bin service is also implemented due to the cost of additional food waste collection vehicles required.

5. REASONS FOR RECOMMENDATIONS

- 5.1 Free fortnightly green bin collections will enable the Public Realm to deliver a saving of £160k in 2017/18 and a continued saving of £362k from 2018/19, with minimum impact on the Council's recycling performance as a result of this service change
- 5.2 This option showed a strong preference overall and across all demographic profiling (further details can be found within appendix 2) by residents during the consultation process and is the option that has the lowest one-off mobilisation costs and which poses the least deliverability risk to the Council.
- 5.3 The retention of a free Green Bin collection service will ensure all residents have access to a full range of recycling services.
- 5.4 Half of London authorities collect Green Bins on a fortnightly basis with only 18% of authorities in England still collecting weekly. Access to alternative facilities for recycling excess organic garden material such as Household Waste Recycling Sites coupled with appropriate enforcement action are mechanisms that other authorities have successfully used to deliver service changes with minimal impact.

- 5.5 Benchmarking data from other authorities has been used to inform the expected savings profiles for both options within this report. The modelling process took historical data from services and service changes from other local authorities over a ten year period. This data was combined with data specific to Enfield and was used to create predictions of the expected impact of the various possible service changes. This included the cost of staff and vehicles and the likely impact on recycling rates as well as enforcement costs to regulate side waste.
- 5.6 The costs incurred by the measures detailed in sections 3 and 5 above are proposed to be funded through existing borrowing of up to £377k to implement the service change and are included in the financial model of the changes.

6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS

Financial Implications

- 6.1 The proposed up to £0.377m, that may be, required for the purchase of 240l wheeled bins to assist the implementation of the proposed service change can be funded by redirecting existing previously agreed capital resources and will be reflected in the quarter 3 capital monitoring report. The borrowing costs of up to circa £0.083m will be covered from the revenue savings generated from the service change.
- 6.2 Table 4 in the main body of the report summarises the costs and savings for Free Fortnightly Collection. The one-off revenue costs will be accommodated using existing resources in 2016/17, prior to the service implementation.
- 6.3 There are no capital requirements for new vehicles as there is no requirement for new vehicles to achieve this service change.

Legal Implications

- 6.4 The Council has a duty under section 45 of the Environmental Protection Act 1990 to arrange for the collection of household waste. Generally no charge can be levied for such a collection but the Controlled Waste (England and Wales) Regulations 2012 (paragraph 4 of schedule 1) permit a charge for the Green Bin collection service.
- 6.5 The consultation exercise undertaken complies with the common law requirements for a fair and open consultation process and is unlikely to be successfully challenged. There is a requirement that the

consultation responses are properly taken into account in reaching a decision on the matter the subject of the consultation, and by this report, and consideration of it by Cabinet, that requirement is met.

- 6.6 The proposals within the report comply with the Council's powers and duties.
- 6.7 The bins required for implementation of the proposal will be procured through an Invitation To Further Competition under an existing framework contract in line with contract procedure rules.

Property Implications

There are no property implications outlined within this report

7 KEY RISKS

- 7.1 The key risks associated with implementing the recommendation are:
- **Financial:** Savings not realised. Officers have cautiously calculated the savings profiles and included a contingency sum to cover unforeseen impacts of the service change on the budget.
 - **Operational:** Lack of resources to deliver the service change: A project manager is in place to manage the service change. A full project team is in place to deliver each of the work streams
 - **Reputational:** Residents not aware of service changes. A full communications plan will be implemented that will take place over a 4-month period and will use a variety of mediums to ensure residents are aware of the service change. Each household, that uses the Green Bin collection service, will receive 2 specific leaflets through their door notifying them of the change.

8 IMPACT ON COUNCIL PRIORITIES

Fairness for All

- 8.1 The consultation was open to all residents. Responses were received from a cross-section of the borough.
- 8.2 The move from weekly to fortnightly is not a material change to the service. All residents will still have the ability to recycle food and garden products.

Growth and Sustainability

- 8.3 The recommended service change will help reduce the Council's financial pressures and assist the Council to become more sustainable moving forwards.

Strong Communities

- 8.4 The 12-week consultation exercise gave communities the opportunity to voice their views on the future of services. These views were taken into consideration in the recommendations.

9 EQUALITIES IMPACT IMPLICATIONS

A predictive EQIA has been undertaken and it has concluded that the proposed changes are not deemed to disproportionately impact residents from the protected characteristic groups. Details of this report are available to the public on request.

10 PERFORMANCE MANAGEMENT IMPLICATIONS

Independent modelling has concluded that there should be no significant change in the recycling performance of the service resulting from the service change.

11 HEALTH AND SAFETY IMPLICATIONS

A risk assessment and Safe System of Work is in place for the collection crews collecting Green Bins. The new service is no different operationally and so the existing RASSW remains appropriate. All operational risk assessments are reviewed and updated regularly.

12 HR IMPLICATIONS

The number of personnel required to deliver the new service is less than current personnel levels. The reduction will be realised through the reduced use of agency resources. There will be no change to the number of permanently employed personnel.

13 PUBLIC HEALTH IMPLICATIONS

No reports of how reducing the green bin service has been detrimental to public health have been received from other boroughs. This though should be monitored for any unforeseen consequences.

Background Papers

None

Appendices

Appendix 1 Options Appraisal Process

Appendix 2 Consultation Summary