

Public
Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Call-in: Garden Waste Subscription Service

Meeting/Date: Joint Overview and Scrutiny Panel – 10th August 2023

Executive Portfolio: Councillor M Hassall - Executive Councillor for Corporate and Shared Services

Report by: Andrew Rogan, General Manager for Operations

Wards affected: All

Executive Summary:

In accordance with the Overview and Scrutiny Procedure Rules and following publication of the Cabinet's decision relating to the Garden Waste Subscription Service, the decision has been called-in by ten Members of the Joint Overview and Scrutiny Panel. The grounds for call-in are set out in paragraph 2.4 of the report.

Recommendation(s):

The Panel is invited to review the additional information provided to consider the call-in of the decision of the Cabinet relating to the Garden Waste Subscription Service and consider whether to endorse the original decision of Cabinet or not to do so in line with the Appendix B Flowchart from the Council's Constitution.

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to enable the Panel to give further consideration to the Cabinet's decision on the Garden Waste Subscription Service which has been called-in.

2. BACKGROUND

- 2.1 The Cabinet, at its meeting on 18th July 2023, considered a report outlining a proposal for the introduction of a Garden Waste Subscription Service from 1st April 2024. A copy of the report is attached as **Appendix 1**.
- 2.2 The Joint Overview and Scrutiny Panel received a report at their meeting on 6th July 2023 on the proposals and the Panel's comments were conveyed to the Cabinet by way of the report attached as **Appendix 2**.
- 2.3 The Cabinet approved the following –
- a) noted the risks associated with the proposal, both financially and reputationally, that have been highlighted within the report that may arise through emerging national waste policies and guidance, and changes to Cambridgeshire County Council's Waste Private Finance Initiative (PFI) Contract which require approval from the Department for Environment, Food and Rural Affairs (DEFRA);
 - b) agreed to the introduction of a household garden waste subscription service from 1st April 2024, as set out within the service terms and conditions;
 - c) agreed to changes to the Waste Collection Policies, relating to the introduction of the chargeable subscription household garden waste service;
 - d) agreed that for 2024/25 the annual collection charge be set at £57.50 per first bin and authorised the Executive Councillor for Corporate and Shared Services in consultation with the Managing Director to review and confirm the currently proposed £30 for each additional bin to the maximum of 4 bins;
 - e) agreed to use the revenue generated by the chargeable subscription household garden waste service to fund the start-up project costs including service redesign, temporary staff resource, website redesign and implementation of associated IT systems (as set out in the financial model Table 3);
 - f) agreed that the existing non-chargeable household garden waste collection service will cease from 31 March 2024. Arrangements will be made during Q2 FY 2024/25 to collect any bins from households that do not wish to subscribe and wish to return them;

- g) agreed to implement a robust communications campaign and incentivisation scheme to encourage subscription sign-ups and promote behaviour change for our residents in waste minimisation; and
- h) agreed to complete a review of the impact of the introduction of a household waste subscription service on lower income residents.

The draft Minute is attached as **Appendix 3**.

2.4 Following publication of the Cabinet's decision, Councillors Alban, Bywater, Cawley, Corney, Criswell, Gardener, Jennings, Lowe, Martin and Welton called-in the decision on the following grounds –

- Lack of consultation with Huntingdonshire residents and Town/Parish Councils and stakeholders;
- Lack of evidence available to Overview and Scrutiny Panel Members regarding full data, assumptions and calculations supporting the financial and environmental claims;
- Request for full underlying data and methodology used for financial and climate assumptions in report;
- Lack of electoral mandate to introduce a charge;
- No clear financial plan over the impacts this will have on vulnerable residents in the District;
- Impacts on the grey bin waste; and
- Impacts on additional use of recycling centres.

2.5 The Panel is, therefore, invited to consider the decision of the Cabinet. The appropriate Executive Councillor, Councillor M Hassall, has been invited to attend the Panel's meeting.

3. GROUNDS FOR CALL-IN

3.1 Lack of consultation with Huntingdonshire residents and Town/Parish Councils and stakeholders

The garden waste collection service is a non-statutory service and the decision made is an extension of the existing service provided for a second bin. The potential for the change was aired in the MTFS and the various considerations given to the introduction of a charge have been through a pre scrutiny and decision-making cycle in accordance with the Constitution.

3.2 A schedule of activities to inform and socialise the proposal for a garden waste subscription service with local Councillors and residents prior to a report presented to Cabinet on 18th July is set out below:

- 22nd February 2023 – Full Council budget approval for MTFS
- 20th June 2023 - All Member briefing
- 6th July 2023 – Overview and Scrutiny panel (Environment, Communities and Partnerships) and Overview and Scrutiny (Performance and Growth) joint exceptional meeting

3.3 Additional engagement opportunities for local Councillors and communities to express their views on how a garden waste subscription

service can be successfully implemented will be delivered through a series of communication channels throughout September and October, the outputs of which will allow current and newly proposed initiatives to be considered for implementation phase and beyond. A commitment exists to seek and listen to feedback and input from local communities on how the scheme can be most effectively operated, whilst supporting all residents the district.

- 3.4 Legal advice has been consistent that no duty exists on Huntingdonshire District Council to formally consult on the proposal to implement a garden waste subscription service, given the Council's room for manoeuvre due to budgetary restrictions would make any consultation without value for residents, and given it is a non-statutory service that already operates as a service for second green bins. Consistent efforts have been made to inform residents of the intent to implement the service.
- 3.5 The impact of introducing a garden waste subscription charge for Huntingdonshire has been significantly mitigated by the learning and data derived from other Local Authorities that offer a chargeable service. Of the 107 Local Authorities in the East and Southeast of England region, 90 already deliver a chargeable garden waste subscription service (84%), 2 are currently progressing with a proposal to charge for garden waste collections (Colchester and Basildon) and 15 Local Authorities (14%) do not charge.
- 3.6 In addition, Huntingdonshire residents currently transact with a chargeable garden waste service with minimal impact, albeit for additional bins beyond the first household bin. Well established processes are in place across HDC services to notify residents for annual renewals, take payments through a variety of payment options, issue packs and stickers, schedule rounds, vehicles and crews, report a missed bin, request additional or replacement bins and respond to customer enquiries through Frequently Asked Questions. The current process has been in operation for 17 years and inter-department working across operations, finance and customer services is robust and mature.
- 3.7 **Lack of evidence available to Overview and Scrutiny Panel Members regarding full data, assumptions and calculations supporting the financial and environmental claims**
Details of the high-level options considered through garden waste collections services were included as an appendix for Cabinet report 18th July and **included again at the end of the report for reference**. As detailed in the analysis the options to suspend the service over the winter months (option #4) or reduce the service via less frequent collections (option #5) would not achieve the savings required to meet the financial requirements of the MTFs.
- 3.8 **Request for full underlying data and methodology used for financial and climate assumptions in report**
Details of the data used to support the environmental and climate impacts is attached as **Appendix 4**
Details of the calculations and financial assumptions used to support the financial modelling is attached as **Appendix 5**

3.9 Initial calculations on the impact to pause progress for 12 months as discussed in the Overview and Scrutiny panel meeting on 6th July is included in **Appendix 5**.

3.10 **Lack of electoral mandate to introduce a charge**

Elected Local Government Councillors operate within the context of a representative democracy. Within this context it is the role of Councillors to not simply communicate the wishes of the electorate but also to use their own judgment in the exercise of their powers. This is essential as many of the challenges that Councillors face may be un-precedented, or unforeseeable. Elected members having been duly elected, once they form an administration are vested with the power to make decisions within the confines of the Council's constitution and governance framework and are able to implement policy accordingly. Their election within this system provides a mandate for decision making that they consider appropriate.

3.11 **No clear financial plan over the impacts this will have on vulnerable residents in the District**

As requested by Councillors at the Overview and Scrutiny Panel meeting on 6th July 2023, the Equality Impact Assessment for the garden waste subscription service as included as an appendix report for Cabinet and attached as **Appendix 6**

3.12 The Equality Impact Assessment (EIA) aims to:

- Assess the potential impact of the service on different equality groups.
- Identify any potential barriers or disadvantages faced by specific groups.
- Ensure that the service is designed and delivered in a manner that promotes equality, inclusivity and accessibility for all residents.

3.13 The conclusion of the Equality Impact Assessment recommends a number of measures that can be implemented to minimise the financial impact of a garden waste subscription service on lower income residents through:

- the Council will support residents through the Council Tax Support Scheme, that calculates the contribution required based on the benefits they are in receipt of. A review of this scheme in 2023 will ensure the most financial vulnerable residents are offered the greatest level of Council Tax Support award.
- Residents who need additional information, advice and guidance can contact the Residents Advice and Information team, who assess a person's personal circumstances and work with them to suggest suitable and sustainable changes and routes to small funding pots that can help to achieve their goals eg: to reduce their household expenditure and/or apply for funding if the retention of a garden waste collection service is important in their household to maintain positive physical and mental health.
- households can share bins under their own informal arrangements but only one household will be responsible for the subscription and adherence to the T&Cs of the scheme.

- 3.14 Further benchmarking and financial impacts of offering a discounted payment scheme for households in receipt of benefits has been investigated. Of the 90 Local Authorities in the East and Southeast of England region that deliver a chargeable garden waste subscription service, 13 offer a discount payment scheme (as promoted through their Council's website). Having investigated the discount schemes offered to residents, none of the Local Authorities are able to validate a request for discounts or review the payments after a discount has been awarded, due to the significant administration overhead to do these tasks. On the basis of these findings the recommendation approved by the Project Board was to use alternative financial support offers (as detailed in the EIA) to support lower income residents, rather than offer a specific discount through the implementation of the garden waste subscription service. The detailed report is attached as **Appendix 7**
- 3.15 A series of engagement opportunities for local Councillors and communities to express their views on how a garden waste subscription service can be successfully implemented and support residents on lower incomes will include the benefits and feasibility of a range of community initiatives, including but not limited to:
- Saturday freighter collections at appropriate community locations
 - Subsidised home composters
 - Utilising the existing community composting champions' network
 - Free loose compost
 - Local land management green bin incentives (suggestion from discussion at Overview and Scrutiny Panel, 6th July)
 - Local business sponsorships for free bins
 - Free bin allocations to Town and Parish councils – for discretionary distribution
- 3.16 The recommendation of the Overview and Scrutiny joint panel on 6th July was to investigate further financial modelling of the additional bin costs as a way to support residents on lower incomes. Once completed this will inform the community initiatives set out above:
“to agree that for 2024/25 the annual collection charge be set at £57.50 per first bin and authorise the Executive Councillor for Corporate and Shared Services in consultation with the Managing Director to review and confirm the currently proposed £30 for each additional bin to the maximum of 4 bins;” any additional revenue generated from an increase in second bin charge above this minimum amount will be ringfenced to support initiatives for residents on lower incomes.
- 3.17 **Impacts on the grey bin waste**
Details of the data used to support the impacts on the current waste collection streams (grey bin waste and use of recycling centres) is attached as **Appendix 4**
- 3.18 **Impacts on additional use of recycling centres.**
Details of the data used to support the impacts on the current waste collection streams (grey bin waste and use of recycling centres) is attached as **Appendix 4**

4. CALL-IN

- 4.1 Members are reminded of the guidance for call-in as set out in paragraph 15.1 and Appendix B of the Overview and Scrutiny Rules of the Council's Constitution; attached in this report under **BACKGROUND PAPERS Council Constitution**
- 4.2 The Panel has two options, which are as follows –
- if, having considered the matter, the Panel is still concerned about the decision, then it may be referred back to the Cabinet for reconsideration, setting out in writing the nature of the concerns. If referred back to Cabinet, they would then be required to reconsider their decision within 10 working days, amending the decision or not, before adopting a final decision; or
 - if the Panel decides not to refer the matter back to the Cabinet, the decision shall take effect from the date of the Overview and Scrutiny Panel meeting.

5. LEGAL IMPLICATIONS AND CONSIDERATIONS

- 5.1 This report has been produced in accordance with the Overview and Scrutiny Rules of the Council's Constitution.
- 5.2 Considered legal opinion is that there was no duty upon the Council to consult in relation to this matter.
- 5.3 The considered opinion of the Councils Section 151 and Monitoring officers is that the process undertaken to date is in accordance with Council's Budget & Policy Framework Procedure Rules. within the Constitution.

6. RESOURCE IMPLICATIONS

- 6.1 There are no direct financial implications arising out of this call-in. However, any delay to implementing the decisions made by the Cabinet or changes to those decisions will have financial implications.

7. REASONS FOR THE RECOMMENDED DECISIONS

- 7.1 The Panel is invited to consider the call-in of the decision of the Cabinet relating to the Garden Waste Subscription Service'

8. LIST OF APPENDICES INCLUDED

Appendix 1 – Report presented to Cabinet on the Household Garden Waste Subscription Service: 18th July 2023

Appendix 2 – Comments of the Joint Overview and Scrutiny Panel: 6th July 2023

Appendix 3 – Draft Minute of Cabinet: 18th July 2023

Appendix 4 - Data used to support the environmental and climate impacts and the impacts on the current waste collection streams

Appendix 5 - Calculations and financial assumptions used to support the financial modelling

Appendix 6 – Equality Impact Assessment for garden waste subscription service: July 2023

Appendix 7 – Benefits discount proposal and recommendations paper: July 2023

9. BACKGROUND PAPERS

Council Constitution – Appendix B – pre-decision scrutiny and Call-in processes

CONTACT OFFICER

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Garden waste collection options considered (*updated*)

Option	Proposed change description	Savings	Impact on staffing	Transition costs (one off charges to move to new system)	Waste and Resource strategy (WRS) alignment	Impact on recycling rates and collection tonnages	RECAP partnership alignment	PFI contract and other potential impacts
1. Do Nothing	Continue with fortnightly free co-mingled garden and food waste collections, to 80k households with an option to pay for additional bins (up to 5 in total)	No immediate savings- operational costs approx. £800k annually, with increased costs every 3-4yrs as the district grows (additional housing) requiring additional rounds to meet the demand.	No impact on current staffing levels. Additional staff required every 3-4 yrs with projected district growth (availability of workforce means some will be agency to meet demand)	None required	Some alignment- Although no details available as yet; government has suggested free garden waste collections, although it had mandated separate food waste collection in the environment bill. No details released on when this will be implemented or funding available for rollout	Neutral- there would be no impact on current collection tonnages or recycling rate Current recycling rate 58%. Additional tonnage every 3-4 years with projected district growth	Partial - Fenland and Peterborough both have fully chargeable garden collection services. Rest are on fortnightly free collection with opt in subscription service for additional bins	No request of contract change required, no DEFRA approval required and no potential cost of this to HDC
2. Stop collecting garden waste altogether	The service will stop - as a non-statutory service there is no requirement for HDC to offer this service to residents.	Indicative saving figures significant - revenue saving of £800k annually £200k annual capital savings on vehicle replacement costs	Indicative staffing figures significant - 21 staff would be at risk	Indicative saving figures significant £200k staff restructure costs, £250k for recall of green bins from residents, £60k comms, £100k additional temporary staff for customer services to absorb with increased traffic through call centre due to changes.	Significant impacts against national policy Food waste and garden waste collections are an integral part of WRS. Government have intimated they would like LA's to provide free garden waste collections to all properties along with a separate free weekly food waste collection. No further information is yet unavailable from Government on timescales or whether chargeable would still be permitted.	Large negative impact- we would reduce collection tonnages of compostable material to zero from current 23,000 tonnes Recycling rate will sit around 39%-	Does not align Would not align with any of the RECAP partners.	Contract change request would have to be submitted, potential multi-million-pound compensation event for HDC Additional costs for CCC as footfall increase through Household Recycling Centres (HRC) Increased refuse due to food waste being diverted to grey bin from green.

<p>3. Fully chargeable collections</p>	<p>Charge for garden waste collections only Fenland charge £45 pa and Peterborough charge £50 for first bin and £75 for two bins. HDC could charge average of £47.50 In UK approx. 65% LA's charge for garden collections and is estimated to provide £74m in additional income pa</p>	<p>Indicative figures to be modelled to be cost neutral Depending on participation rate, you could look at generating after deducting operating costs of Approx £450,000 Income 30%- £700k pa 40%-£1.1m pa 50%£1.4m pa This service would only cover garden waste and food waste would need to be diverted into the grey bin</p>	<p>Indicative figures further to full financial modelling Redeploying staff by 11 crew members. Potential further staff reductions depending on how the routes evolve, driver+1 instead of driver +2 currently</p>	<p>Indicative figures further to full financial modelling: £100k restructuring costs. £250k bin removals and redeliveries etc. £100k comms £70k call centre staff to handle volume of queries due to changes</p>	<p>Alignment Food waste and garden waste collections are an integral part of WRS Government have intimated they would like LA's to provide free garden waste collections to all properties along with a separate free weekly food waste collection. No further information is yet unavailable from Government on timescales or whether chargeable would still be permitted.</p>	<p>Potential negative impact on recycling rates but hugely dependant on participation rates. Using Fenland and Peterborough's current recycling rates as a benchmark we could be looking anywhere between 40%-50% recycling rate</p>	<p>Partial - Fenland and Peterborough both have fully chargeable garden collection services.</p>	<p>PFI contract change request would need approval from Thalia, DEFRA and CCC. Additional costs may be incurred by HDC for the changes. Unknown until form submitted and reviewed. Residents may disengage from recycling altogether, which could increase contamination and further reductions in recycling rates.</p>
<p>4. Suspend Garden waste collections during winter</p>	<p>Suspend garden waste collections between 1st Dec-1st March (3 full months of lowest collection tonnages)</p>	<p>Indicative figures of fuel saving of approx. -£34k Agency staff savings £12k as garden crews are redeployed into other areas.</p>	<p>No impact on staff numbers as they would be redeployed into other areas.</p>	<p>Indicative figures of comms £15k annually this would include bin hangers and stickers £20k call centre staff to handle volume of queries due to changes</p>	<p>There is no clear details as yet from Government regarding WRS and collection consistency and garden collections.</p>	<p>Low impact on recycling figures 2,700 tonnes were collected during the same period in 2021 Recycling rates is estimated to reduce to around 54%</p>	<p>Partial - S/Cambs reduce their garden collections to monthly during the winter period.</p>	<p>PFI contract change form would need to be submitted and agreed by Thalia, DEFRA and CCC. Food waste would be diverted into the grey bin, it may be difficult to get residents to revert back during the summer months. We could be challenged for refunds from residents using our garden waste</p>

								subscription service as they will be losing 3 months of paid service from HDC. Current subscription service costs £55 for additional garden bin income is around £200k pa
5. Three-weekly garden collections	Reduce collection frequency from current fortnightly to 3 weekly	Indicative figures of savings £150k staff reduction of 6 £42k fuel, servicing, tyres etc. Capital saving of £400k on vehicle replacement as would require 2 less rounds	Indicative figures of staffing would be reduced by 2 drivers and 4 loaders	Indicative figures of comms £40k restructure of staff £60k comms. £30k call centre staff. Rerouting software, round data etc. £40k £40k call centre staff to handle volume of queries due to changes	WRS seeks to gain consistency in collections across the country, currently no details are available on what that looks like as government have yet to release details it could mean however, that we are mandated to provide free fortnightly collections for garden waste.	Low impact on recycling rates as numbers of household serviced annually is decreased. Estimated recycling rate to be around 52%	Does not align Would not align with any of the RECAP partners	PFI contract request form would need to be submitted and approved by Thalia, DEFRA and CCC before changes commence, could have financial implications for HDC to make contract changes. Increased costs for CCC as footfall increases at HRC's and potential increase in fly tipping Subscription garden service fees would be challenged as frequency of collections reduced for a chargeable service