

# Garden Waste Subscription Service

Options for Discounts for residents on benefits 2024/2025

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## Background and Current Position

HDC Operations services currently operates a two-tiered green bin (garden waste) provision. The first bin is collected at zero cost to residents once fortnightly. Residents can purchase additional bins at cost in addition to the freely collected bin.

To ensure that the green bin provision can continue to operate there is a need to introduce a charge for the first bin to create a sustainable model that operates at cost. The cost for this provision is £57.50 per annum for the first bin, and £30 per additional bin, up to 5 bins in total.

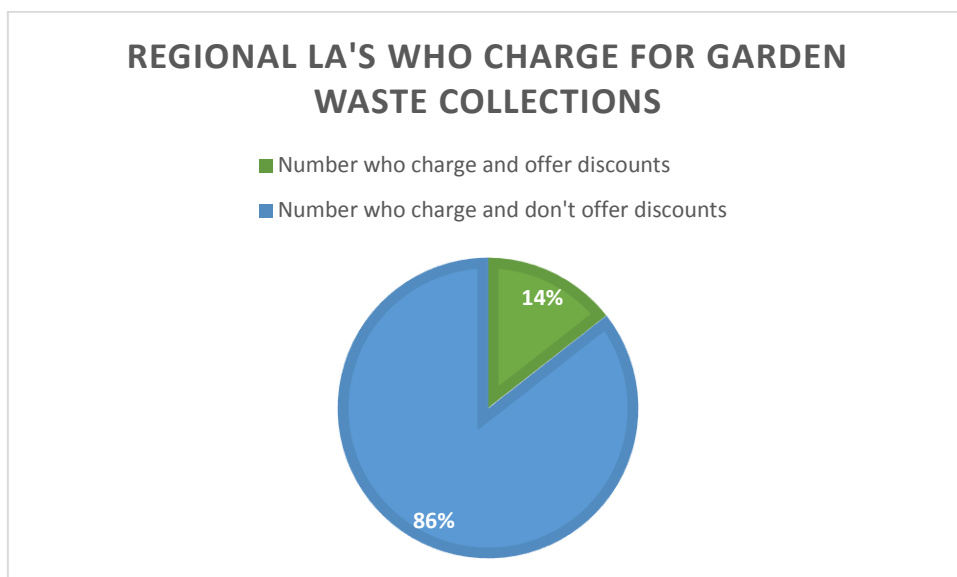
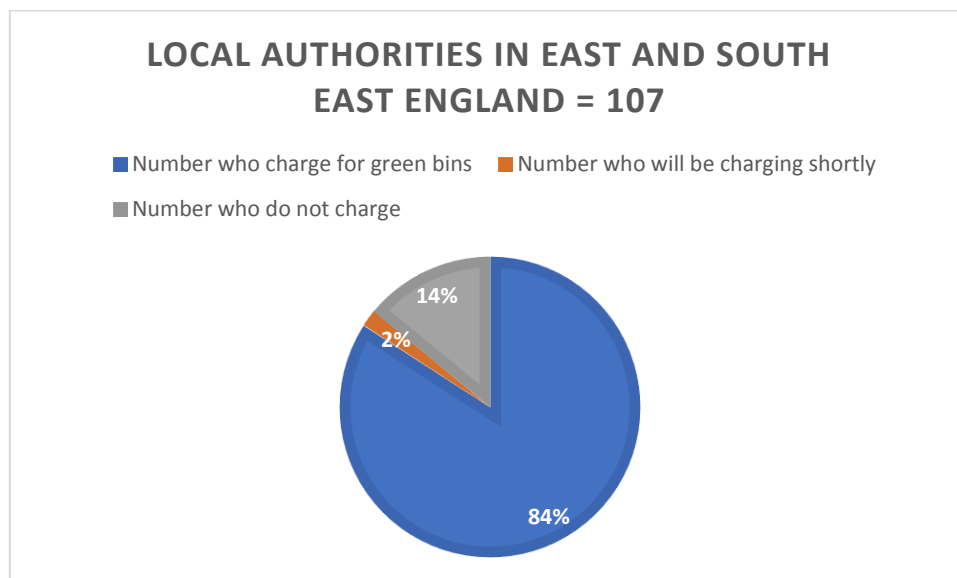
Officers and Members are acutely aware of the potential negative impact of implementing the change of service, particularly for residents on lower incomes. To mitigate the impact a number of incentives, discount considerations and discounts for residents receiving benefit will be considered to understand the feasibility and viability of any support. These options are in addition to the Equality Impact Assessment completed as part of the Cabinet paper for chargeable garden waste proposals.

Around 65% of authorities across England and half of the waste collection authorities in the Eastern Region have already opted to charge for household garden waste collections.

## Benchmark against other Local Authorities

In order to understand the viability of such schemes HDC officers undertook a review of all Local Authorities in the East and South East of England region to identify whether they charged for a garden waste service and if so, whether a discount scheme was offered to resident on lower incomes. There are **107 identified LAs** within this region of, of those **90 charged** for garden waste, with only **13 offering publicised discount schemes**

Findings of benchmarking investigation:



Contact was made with the Councils listed below who offer discounts to lower income households through their garden waste subscription schemes, to understand their processes, pinch points and solutions to discounted schemes. Although limited responses were received, there are still correlating factors which are detailed in the summary below. In addition to this, potential solutions to our current HDC process have been explored.

Local Authorities in the East and South East region that offer a discounted scheme to the cost of a garden bin are listed below:

- Uttlesford
- North Hertfordshire
- St Albans
- Three Rivers
- Watford
- Bracknell Forest
- Reading
- Southampton
- Basingstoke and Deane
- Eastleigh
- Hart
- Winchester
- Oxford

Requests for information were made to these Councils about how they operated a discount scheme. Meetings were held with Winchester and Watford to explore further questions and of the remaining LA's, all those mentioned above responded with some information provided by email.

When offering a discount scheme based on residents in receipt of benefits all Local Authorities reported the following issues:

1. Validation of the resident's eligibility for a discount – not done
  - The process to validate a discount would be laborious manual process that broke automation and therefore where authorities chose to offer a discount, they didn't complete any validation checks.
  - Local Authorities chose not to validate that their residents were in receipt of benefits and accept the application for discounted garden waste on the basis of trust, subject to the inclusion of a housing benefit reference number when submitting the application form.
2. Renewal via DD – discount remains
  - No validation took place when a resident renewed via Direct Debit as the admin time taken to check whether the resident was still on benefits, notify the resident that the charge had increased and amend the Direct Debit was cost prohibitive. It was deemed more cost effective to allow the resident to continue to qualify for the discount, even if their eligibility had ended.

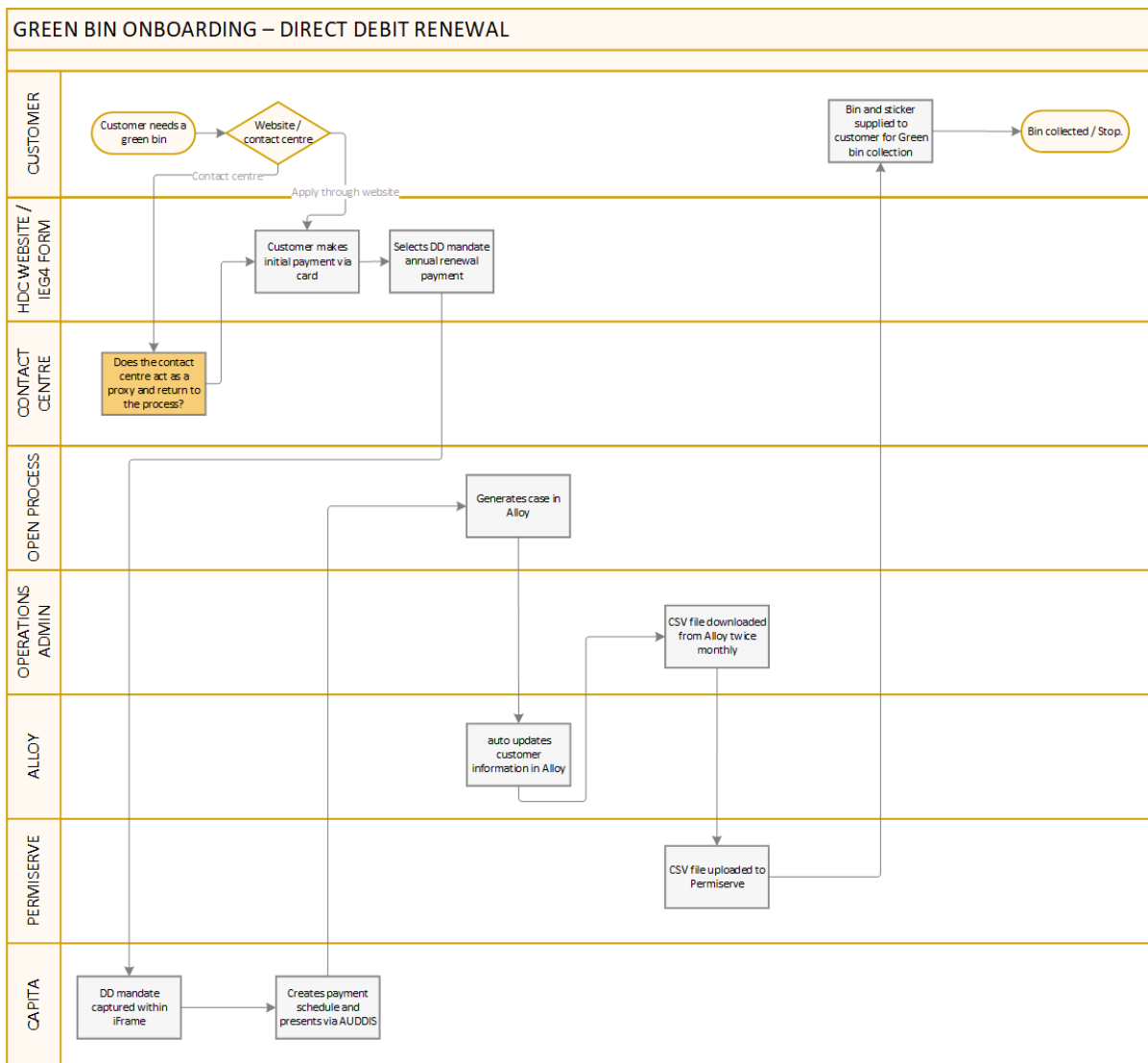
## Discount Options in Detail

### Option 1: No discount is offered to residents in receipt of benefits (current offer)

The HDC proposal is to offer residents an automated subscription service that processes the initial payment, set up a DD mandate for annual renewal minimising the effort for residents and the administrative costs to the green bin provision.

Customer Services operating as a proxy for residents estimate a call costs a minimum of £7  
A high-level automated solution is seen in the process flow below:

As-Is Process (Not Scalable)



### Pro's

- + All residents applying for the non-statutory service pay the same amount
- + The process remains automated throughout the life cycle of the process
- + Renewal is via Direct Debit

### Con's

- No discount available for residents in receipt of benefit

### Option 2: Offer a resident discount (application validated)

In order to offer a discount scheme to residents on housing benefit the following would need to apply:

- A resident makes an application and selects within the form that they are in receipt of benefit which would entitle them to a discount
- The form applies the discount to the cost of the service
- The payment is not processed as the benefit reference needs to be validated by HDC.
- Instead of moving through the automated process the form would break from this and deliver to a customer service inbox

- At this point all part of the automated process would stop / break
- The Customer Service Advisor (CSA) would need to have access to the Housing Benefits system to validate the benefit discount request (something only the most experienced advisors have access to, which increases the cost of the interaction)
- The CSA cross references the Housing Benefit reference number submitted with the form with information stored in the Housing Benefit system.
- Where the data is not validated the CSA contacts the customer to say that their application has closed as they are not entitled to a discount and the resident will need to apply and pay the full amount.
- Where the data is validated, the CSA will contact the resident. The resident would make payment over the phone for the application. The CSA would then send the application and validation to the Waste Minimisation Officer (WMO) inbox
- The WMO manually updates the customer information in Alloy to show that the resident has paid for the bin and can be added to the upload to Permiserve for the delivery of the sticker.
- The following year rather than being able to renew via Direct Debit the customer must renew as if making a new application to step through the validation exercise again, re-introducing all of the admin steps already detailed
- Estimation is that the cost for the interaction would be circa £20 for Customer Services, and introduce a newly created cost for the WMO work stream. In addition to the discount the resident receives as a result of the application HDC would receive less than 50% of the cost to resident

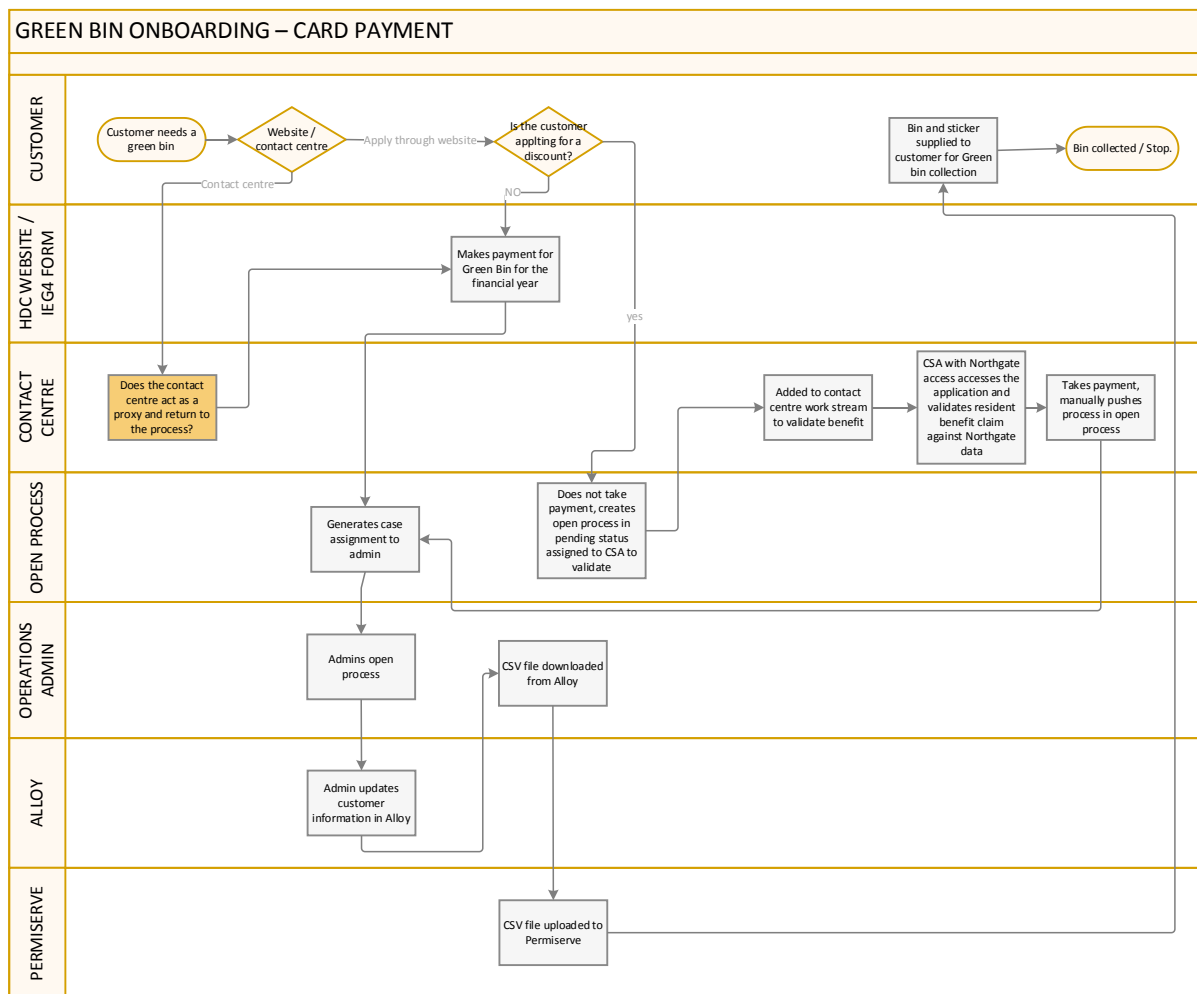
#### Pro's

- + All discount applications are validated, the potential for misuse is mitigated by the validation of each application manually
- + Entitled residents receive a small discount to their green bin collection

#### Con's

- The automated service is not available
- Introduces an additional workstream that hasn't been scoped as part of the project.
- Significantly increases the overheads and in some cases may negate the cost of the service to HDC ie: no financial benefit as revenue is negated
- The Direct Debit renewal is unavailable to the residents due to the validation process, and therefore the resident needs to go through the onboarding process year on year

## Benefit Validation process:



### Option 3: Offer a resident discount (application not validated)

- The resident makes an application in the normal way, as stated in Option 2
- The application form has some number format validation to prevent the resident from adding in XXXXXX rather than a number in the correct format that could be validated / cross referenced with the Housing Benefits system
- HDC **do not** validate the reference number, but rather assume that the resident is providing the correct information.
- The discount is applied year on year and no validation exercise takes place, the discount remaining in place for as long as the DD remains active

#### Pro's

- + The automated process remains in place
- + The Direct Debit remains in place
- + No change to the process from option 1 other than the additional information required for a benefits reference number (small amend to the current form)

#### Con's

- There is no validation process to ensure the application is legitimate

- Residents free to misuse the provision
- Reduction in value to HDC and inability of the organisation to demonstrate tangible value and support to lower income households via the introduction of a discounted scheme

## Recommendation

Due to the additional administration costs (Option 2) and/or the implementation of a non-validated process (Option 3) the recommendation is Option 1 ie: to not offer a discount to the household garden waste subscription service to residents on housing benefits. This recommendation is additionally supported on the basis that of 65% of Councils in England charging for garden waste collection service, only 8 were identified as offering a discount to their scheme for residents in receipt of benefits.

Due to the service being a non-statutory, optional service for residents where alternative provisions exist, the preference is that low-income families are supported via the CTS scheme and can still apply to use this service via the normal channel, ensuring that the cost to administer the service remains sustainable and automated.