

14 June 2023		ITEM: 11
		Decision: 110653
Cabinet		
Waste update		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor Andrew Jefferies, Leader of the Council		
Accountable Assistant Director: N/A		
Accountable Director: Julie Nelder – Director of Public Realm, Anita Cacchioli – Director of Street Scene and Leisure		
This report is Public		

Executive Summary

The operation of the brown bin (garden waste collection) service has experienced significant delivery issues over the last twelve months. This report will detail why these issues have occurred and the future options for this service.

1. Recommendation(s)

- 1.1 **It is recommended that option 5 be approved as an interim solution for the collection of garden waste and the associated change to the frequency of collection of recycling.**
- 1.2 **It is recommended that a full strategic review of the waste service be undertaken to provide for a sustainable service in the context of reducing budgets, increasing costs, demographic and other pressures, changes in legislation.**
- 1.3 **The scope of this strategic review will be developed for Members consideration, but will include the type, levels and forms of delivery of the service.**

2. Introduction and Background

- 2.1 The Council formally adopted the Municipal Waste Strategy 2021-2031(MSW) in November 2020. In developing this strategy, the collection service was remodelled operating with 26 rounds. Due to the size and the volume of the work in this operating model, work allocation was fractious, and completion of many rounds was not achievable, this model predicated the inconsistent delivery and at times service failure, during 2022.
- 2.2 In 2022 issues with the waste service led to an internal audit and development of a waste improvement plan. This plan identified areas which put the Council at risk both in terms of the delivery of its statutory duties and in terms of reputational damage.
- 2.3 The Waste improvement plan made several recommendations for improvements

throughout the service, including recommending a “*Review (of) establishment and service structure for current service provision*” to ensure that the structure and establishment numbers are sufficient for optimal service delivery.

- 2.4 This review has been completed. This review looked at the service in its entirety and sought to balance the rounds to create achievable and completable workloads on all rounds. Consequently, it has been necessary to increase the number of rounds from 26 to 28. In addition to this, a ‘buddy’ system has been established (whereby crews help each other out if problems are encountered during the day) for all crews to ensure that all work is completed consistently.
- 2.5 The rebalancing of rounds considered the need to allow for housing growth within the borough. The rounds now have the capacity to absorb growth in housing over the next 12 months, but continuous reviews are taking place to ensure that the service has the future capacity to deliver. Pressures on the service will be further compounded by the development of future levels of housing growth for the borough that will be set out in the Local Plan. This growth has significant impacts on service, and it is likely that additional vehicles and establishment levels will be required because of this growth, which furthermore may have consequences on the capacity constraints at the Council’s depot and further implications for the Operator’s Licence.
- 2.6 Significant improvements have been made to the service. The delivery of the statutory services of refuse and mixed dry recycling collection have recovered, and we are now operating a consistent service in these areas, with levels of missed bins and levels of complaints reducing.
- 2.7 The brown bin service (which is currently not a statutory service), is not a consistent and reliable service for our residents. This service provides the collection of kitchen and garden waste, although due to the inconsistency of the service, we have asked residents to put food waste into their general waste bin. The brown bin service was originally provided on a weekly basis but was moved to fortnightly basis in June 2020.
- 2.8 Current levels of establishment are not sufficient to allow for the consistent operation of a service collecting three waste streams. As service staff retention is good and we do not suffer from a high level of attrition, but we do have to account for holiday provision (2735 days across the work force) and as a front-line service we experience high levels of sickness (compared to other parts of the council), that are associated with employees working within this industry, this is closely monitored and managed in line with council policy. Due to these issues the service currently has permission to operate with ten posts above agreed established levels taking the total number of staff to 108 (in total), however these numbers are still insufficient to operate a consistent service.

To collect from all three waste streams, it is necessary to increase the establishment from 108 members of staff (98 budgeted) to 114, the work would be able to be completed using the existing fleet.

- 2.9 These figures include the following.
- Round Leaders: - 40 posts
 - The service must accommodate 1000 annual leave days, (please note this figure may increase due to increased annual leave entitlement)

- The calculations assume for 11 posts off per day due to attrition, sickness and holiday, and other absence. We also need to consider allowances for Trade Union facilities time.
- Waste Collection Assistants: – 74 posts
 - The service must accommodate 1735 annual leave days (please note this this may increase due to increased annual leave entitlement)
 - The calculations assume for 17 posts off per day due to attrition sickness, holiday, and other absence.

3. Issues, Options and Analysis of Options

3.1 The Council has issued a Section 114 notice. The collection of garden waste is currently not a statutory function for Local Authorities, although the Environment Act 2021, lists this waste as one that must be collected separately, this is not yet enforced whilst the Government is consulting on the delivery of this service. The response is expected imminently.

3.2 The inconsistent approach to the collection of garden waste has led to poor levels of customer satisfaction and in addition to this has significant political sensitivities. We are now into the spring and summer months; whereby organic waste will be at its heaviest. Without the correct number of staff to deploy for this service, it will not be possible to consistently collect this waste, further leading to poor recycling levels, increased political pressure and low levels of customer satisfaction.

3.3 All options for service delivery and the cessation of the service are fully modelled and costed in Table 1 (Section 7)

3.4 Option 1 – Consistent delivery of the brown bin service (garden waste).

3.5 The budget is based on 98 members of staff and 26 rounds, £14.6m. The actual service delivery is currently running at 108 staff and 28 rounds. This means there is a shortfall of £289k against the base budget.

The service would need to increase the levels of establishment to 114 staff to ensure the consistent delivery of the brown bin service. This option will cost the Council an additional £325k per annum, compared to the current service and £614k above budgeted levels.

There are risks associated with this option as the Council has difficulties attracting HGV drivers to the service, due to the nationally documented issues and local competition in this sector, making the recruitment of HGV drivers challenging. This is the least preferred option in terms of the Section 114, however will allow for seamless service delivery.

3.6 An additional £614k on top of the current budget, is required to deliver this option

3.7 Option 2 – Cease the delivery of the brown bin service (garden waste).

3.8 The overall waste collection budget is based on 98 members of staff and 28 rounds, £14.6m. The actual service delivery is currently running at 108 staff and 29 rounds for three separate waste types. This means there is a shortfall of £289k against the base budget. The service would be able to deliver the residual and recycling collections with an establishment of 104 posts and 26 rounds, this is 6 more staff than budgeted and in line with the budgeted number of rounds.

- 3.9 Although no budgeted saving would be realised, this option would fix the base budget gap. Please note that the disposal element of these savings is based upon the assumptions that 30% of the green waste is taken to the HWCR, 60% is put into the residual waste bin and 10% waste reduction through home composting or moisture loss). Further scenarios are provided below with regards to which waste streams the organic waste might be put in.
- 3.10 The reputational risks associated with this are vast, as we would be removing this service from 50,000+ residents. In addition to this, by not composting the organic waste, this will have negative impacts to our recycling rate performance levels which will drop significantly by a minimum of 7% to an overall position of 22%. We will also see residents using their residual wheelie bin for the disposal of green waste, which is not the best environmental option for this waste. There are further small savings with this option, as we would no longer need to procure the brown bins, this would generate a saving of approximately £12k per annum, the only caveat with this figure is that we currently have approximately £12,000 worth of stock in brown bins that have already been procured and stored within the depot.
- 3.11 This option would address the financial imperative. However, it does not address the practical needs to remove garden waste. The alternatives to collection of the garden waste are not sustainable and would lead to additional issues associated with improper disposal of this waste stream.
- 3.12 There are no minimum tonnages stipulated within the contract for the disposal of the green waste, so the Council has no liabilities to consider within this area.
- 3.13 There is an additional budget requirement of £20k required to deliver this option
- 3.14 **Option 3 – Do nothing- No change to existing service or structure.**
- 3.15 The budget is based on 98 members of staff and 28 rounds, £14.6m. The actual service delivery is currently running at 108 staff and 28 rounds. This means there is a shortfall of £289k against the base budget. With 108 staff we can ensure a consistent recycling and residential waste service. However, it is not possible to consistently complete the garden waste collection within this level of resources.
- 3.16 This is the least preferred option, as it will continue to deliver poor service delivery and low levels of customer satisfaction.
- 3.17 Additional cost £289k.
- 3.18 **Option 4 - A charged for garden waste service.**
- 3.19 The budget is based on 98 members of staff and 26 rounds, £14.6m. The actual service delivery is currently running at 108 staff and 28 rounds. This means there is a shortfall of £289k against the base budget.
- 3.20 This assumption is that 66,000 of our residents have gardens and that 30% (19,800) will take up this scheme. This means there would be the ability to reduce the overall number of rounds to 27 and 104 staff, however these residents will have the biggest gardens with the most garden waste to dispose of, consequently the disposal costs are only reduced by 30%.
- 3.21 There would need to be an administration system set up for payments, developing collection rounds and issuing a 'permitting' system for those who have subscribed for this model to work, which has been estimated at £50k. There is an income stream associated with this that

assumes the cost will be £65 per year per household per annum. This is based on benchmarking other local authorities for the initial modelling of the service. Based on 30% take up of the service, there is potential to generate £1.287m per annum full year effect, (would be pro rata for 2023/24 based on implementation date for charging).

- 3.22 The risks to the Council are significant. Given the recent performance of the green waste service could be a lower uptake of this service due to lack of confidence in the Council. If we do not get the uptake for the service as anticipated, we will not get full cost recovery with this model. Mitigations can be put in place by increasing the annual fee and reducing the number of staff and vehicles required. In addition, this will take a significant amount of time to introduce and implement. Option 4 is by far the most cost-effective option for the Council. It would provide for a stable, consistent, and reliable service. This policy would be in keeping with actions in most other Councils. However, this option will take a significant amount of time to implement and deliver and does not solve the immediate problem of service delivery.
- 3.23 This option would potentially provide the Council with a saving of £1.3m against the current budget through income generation and a reduction in the number of rounds.
- 3.24 **Option 5 - Fortnightly Garden waste collection service with a reduction in the recycling collection service from weekly to fortnightly.**
- 3.25 This option means that we would be able to operate the service with the existing staffing establishment. To ensure that there is no additional spend, we would have to ensure that all waste is stored within the bins and that no additional side waste is collected as this would cost the Council additional money to collect.
- 3.26 The risk here is that the wheelie bin for recycling is not big enough for two weeks' worth of recycling and some recyclable waste may be put into the residual waste bin, which will impact negatively on both performance and costs. There is also a risk with the disposal contractors, as both contracts were tendered on receiving a weekly tonnage of material.
- 3.27 We would have to renegotiate the contracts based on the change of frequency of Materials. In addition to this the garden waste service would cease to operate in December and January and recycling would go back to weekly during these months, due to the tonnages of green waste being so low and levels of recycling increasing. We would also have to mitigate the risk of additional side waste and recyclable waste being disposed of in the residual waste bin. We would need a communication campaign and the need of enforcement.
- 3.28 This option is recommended as an interim solution pending a wider strategic review of the waste service. It will enable the service to be reinstated without delay and provide for greater consistency and reliability. However, it will require effective communication, encouragement, and information to residents about the use of the bins, and the frequency of collections and a clear timetable. It will also require effective enforcement to ensure compliance with the policy. It is not, however, a sustainable medium to long term solution against reducing budgets, increasing demographic pressures and actual and potential legal changes.
- 3.29 This option could be in place relatively quickly, as the contractual arrangements and operational changes allow for a short implementation period.
- 3.30 In the context of the Section 114, this option allows the Council to deliver the service and means that additional collection resources are not required, this option allows full access to our all our residents for the disposal of this material.

- 3.31 An additional £130k over the current budget position, is required to deliver this option. This is £0.159m less than the current cost of service delivery (option 3).
- 3.32 **Option 6 - A Fortnightly Garden waste service with a reduction in the residual waste collection service from weekly to fortnightly (recycling remains weekly).**
- 3.33 This option means that we would be able to operate the service with the existing staffing establishment. To ensure that there is no additional spend, we would have to ensure that all waste is stored within the bins and that no additional side waste is collected as this would cost the Council additional money to collect.
- 3.34 We would have to renegotiate the contracts based on the change of frequency of materials. We would also have to mitigate the risk of additional side waste and contamination being put into the recycling bin.
- 3.35 Food waste would either need to be reinstated into the brown bin on a temporary basis until we can operate the food waste service, or it will need to be put into the residual waste bin.
- 3.36 This option will require effective communication, encouragement, and information to residents about the use of the bins, the frequency of collections and a clear timetable. It will also require effective enforcement to ensure compliance with the policy.
- 3.37 This option is in keeping with the adopted Municipal Waste Strategy, as fortnightly residual waste collection has already been approved by Cabinet.
- 3.38 This option will take some time to implement, as this is a major service change with contractual changes as well as operational changes to consider, it is unlikely that this change will be able to be implemented during the summer months of 2023, and so is unlikely to resolve the immediate issues of the collection of garden waste. Initial estimations are that it could be in place by mid-September 2023
- 3.39 In terms of performance, it is estimated that the residual waste stream will reduce by 9%, and 7% of this waste will be recycled in the blue bin, and there will be a 2% reduction in the waste produced in the residual bin. This will have positive impacts to the Council's recycling performance and the recycling rate will increase to 37%
- 3.40 In the context of the Section 114, this option allows the Council to deliver all statutory services on a permanent basis, in a cost effective and performance enhancing way
- 3.41 There will be an estimated budget reduction of £504k on the current budgeted position, which will come from reductions in waste disposal costs
- 3.42 **Option 7 – A monthly collection service, where we stop collecting the recycling once a month.**
- 3.43 This option has not been modelled as this is not a feasible model due to the disposal contracts, the influx of very heavy garden waste puts immense pressure on the operations of the waste transfer station, and they are unable to manage the onward transport of this waste due to the volumes collected, this is therefore not an option for the Council.
- 3.44 **Table 1 details the operational requirements for options 1-6**

These options have been costed using the operating models and the estimated tonnages associated. These models look at the full cost of the waste service and not just the green waste element.

Options	Number of staff	Number of Rounds	Staff cost £'000	Vehicle cost £'000	Waste disposal estimate £'000	Admin costs £'000	Income £'000	Total cost of Service £'000	Budget £'000	Budgetary Impact £'000
Option 1 Consistent delivery of the brown bin service (garden waste)	114	29	4,164	1,313	9,761	0		15,238	14,624	614
Option 2 Cease the delivery of the brown bin service (garden waste).	104	26	3,757	1,177	9,710	0		14,644	14,624	20
Option 3 Do nothing- No change to existing service or structure	108	28	3,885	1,267	9,761	0		14,913	14,624	289
Option 4 A charged for garden waste service	104	27	3,757	1,222	9,539	50	(1,287)	13,281	14,624	(1,343)
Option 5 A fortnightly refuse collection service with a reduction in the recycling service from weekly to fortnightly.	104	26	3,757	1,177	9,820	0		14,754	14,624	130
Option 6 A Fortnightly Garden waste service with a reduction in the residual waste collection service from weekly to fortnightly (recycling remains weekly).	104	26	3,757	1,177	9,186	0	0	14,120	14,624	(504)

NB The service cost is based on an annual cost, and estimates costs with green waste collected throughout the year, so is not a reflection of this year's position, as green waste has not been collected consistently

4. Reasons for Recommendation

- 4.1 Option 5 is recommended as a temporary measure until direction is received from the Government. The service can continue to be delivered with no impact to establishment levels and whilst there is some disruption to the public in terms of their recycling collections, this will allow a full complement of collections to be made. This option can be implemented immediately.
- 4.2 This is an interim solution until the roll out of the service changes for the waste strategy are implemented. The Council will also consider the opportunities for the charging of the green waste service in line with legislative requirements.
- 4.3 A full strategic review of the waste service is to be undertaken to provide for a sustainable service in the context of reducing budgets, increasing costs, demographic and other pressures, changes in legislation.
- 4.4 The scope of this strategic review will be developed for Members consideration, but will include the type, levels and forms of delivery of the service.

5. Consultation (including Overview and Scrutiny, if applicable)

5.1 The report will be considered by CGS O&S.

6. **Impact on corporate policies, priorities, performance, and community impact**

6.1 This recommendation will have positive impacts to the Council's recycling rate.

7. **Implications**

7.1 **Financial**

Implications verified by: **Jo Freeman**
Finance Manager

7.1.1 The financial impact for each of the options are set out in Table 1 within the main body of the report.

7.1.2 The council continues to experience significant financial pressures, and all spend decisions should be considered within this context. The recommended option to implement interim bi-weekly collections of recycling and garden waste will cost £0.159m less than the current arrangements for waste collection but this will still exceed the budget by £0.130m due to the budget shortfall within the base budget of £0.289m (as the service is exceeding their budgeted establishment levels to ensure service delivery continues across the borough).

7.1.3 The directorate will need to manage their spend to ensure this pressure can be contained within the overall allocation for the year. Pressures within 2022/23 waste collection service were offset by an improved waste disposal position but it should be noted that waste disposal contracts contain variable elements whereby volume and waste type directly affect cost so it should not be assumed that this trend will repeat in 2023/24.

7.1.4 The outcome of the recommended strategic review of the service needs to ensure a adequate financial modelling and that any potential impacts on the MTFS are correctly reflected

7.2 **Legal**

Implications verified by: **Gina Clarke**
Governance Lawyer & Deputy Monitoring Officer

7.2.1 The collection of garden waste is currently not a statutory function for Local Authorities. In 2021, the Government issued a consultation document, regarding garden waste collections becoming a statutory duty with a minimum of fortnightly collections.

7.2.2 The Environmental Protection Act 1990 underpins local authorities' duty to collect household waste in England from domestic properties. Current arrangements ensure that every local authority collects some recyclable materials. Local authorities, however, do not all collect the same range of materials, which has caused confusion as to what can be recycled.

7.2.3 The Environmental Act 2021 received royal Assent on 9 November 2021 stipulates a

consistent set of materials that must generally be collected individually separated from all households and businesses in England, including food waste. The Waste and Resource Efficiency Part of the Environment Act (Part 3) includes provisions to require local authorities in England to collect the same range of materials for recycling from households and introduce separate materials in separate streams.

- 7.2.4 The Environment Act 2021 inserts a new section 45A into the Environmental Protection Act 1990 for separate collection arrangements for household waste for English waste collection authorities. This new section is not yet in force and will be brought into effect by a date appointed. This new s45A applies where a waste collection authority is required to collect household waste in its area under section 45(1)(a) of the Environmental Protection Act 1990. The arrangements for the collection of household waste must meet the conditions in subsections (3) to (8) unless there is a relevant exemption in regulations. These first two conditions (set out in subsections (3) and (4)) require that recyclable household waste must be collected separately from other household waste for recycling or composting.
- 7.2.5 This means that recyclable waste must be separated from waste that it is destined for incineration or landfill so that the separately collected waste can be recycled or composted. The third condition (set out in subsection (5)) requires that the different recyclable waste streams are collected separately from each other unless it is not technically or economically practicable to collect them separately from each other, or if collecting the waste separately has no significant environmental benefit. This gives Council's local flexibility where one of these conditions are met.
- 7.2.6 The Act makes clear that under no circumstances may the dry recyclable waste streams (glass, metal, plastic, paper and card) be mixed with the other recyclable waste streams (food and garden waste). This is to minimise or prevent contamination of dry recyclable materials by food or garden waste.
- 7.2.7 In relation to the recommendation and options set out in the report, although the brown bin service is not currently a statutory service when the provisions in Environmental Act 2021 relating to waste come into force the Council will be required to collect garden waste and comply with the new requirements. As legislation is now place, although not yet in force this is a relevant consideration which Members need to give consideration to in the decision-making process. Members also need to be bear in mind that when the new statutory waste requirements in force, the Council will be under a duty to provide the brown bin collection service and allocate the necessary resources to discharge its new statutory duty. Currently it is not known as to the date as to when this new duty will take effect, however the Council will need to plan for this eventuality and further it would not be open to the Council to charge for the collection of garden waste once the new waste provisions in the Environment Act 2021 come into effect.
- 7.2.8 In relation to the recommendation 1.1 there is no statutory duty on the Council to consult those who will be affected by the proposal. However, a duty to consult may be implied as part of the Council's duty to act fairly; or where consultation is included in the Council's internal policy. Where the Council has consistently consulted on this type of decision in the past, fairness generally requires that it continues that practice, The more serious the impact on those affected by the proposal, the more likely it is that fairness requires the involvement of affected individuals in the decision-making process by some form of consultation.
- 7.2.9 All Council services are subject to compliance with s.149 Equalities Act 2010, the public

sector equalities duty (PSED) which requires all functions to be developed and delivered having regard to the need to reduce or eliminate discrimination on the grounds of protected characteristics. This means that any proposed changes to services will need to be developed having due regard to the impact on those residents who come within the protected equality groups, in particular the elderly those with disabilities, as to how they dispose of and reuse waste and how any negative impact could be mitigated. These considerations need to be addressed in an equalities analysis and a proper assessment of equalities is considered by Members as part of the decision-making process.

7.3 Diversity and Equality

Implications verified by: **Roxanne Scanlon**
Community Engagement and Project Monitoring Officer

7.3.1 Removal or alteration of any waste collection service may result in a negative impact to residents that are not able to dispose of waste themselves via the Household Waste and Recycling Centre, particularly those that may have protected characteristics as defined by the Equalities Act 2010. Any changes to waste collections should be communicated as widely as possible and through various channels e.g. digital and paper copy, as well as being accessible to all. The need for communication is detailed in this report. A Community Equality Impact Assessment will be completed as part of the full strategic review of waste services to assess any negative or positive impacts.

7.4 **Other implications** – (where significant) – ie Staff, Health Inequalities, Sustainability, Crime and Disorder and Impact on Looked After Children

7.4.1 The performance of the service will reduce to bottom quartile if we remove the garden waste service, as this will have negative impacts on our recycling rate.

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- **Municipal Waste Strategy for Thurrock 2021-2031** Public Report to Cabinet, 11th November 2020 (item 59 (Decision: 110535) [Municipal Waste Strategy](#))

9. **Appendices to the report**

- N/A

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