

Garden Waste Charging: review of implementation

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1 Purpose of Report

This report reviews the steps that were taken to introduce a charge for the kerbside collection of garden waste, the challenges experienced the operational implications and financial results.

It proposes that the chargeable service continues in 2020 retaining the £35.00 per bin charge.

2 Background

At its meeting of 13 February 2018, Council agreed to:-

“Introduce a charge of £35.00 and to retain the seasonal garden waste collections.”

At its meeting of 13 November 2018, Council agreed to approve the implementation plan as outlined in the report presented and asked Officers to report back on the implementation of the charge.

3 Implementation

A cross-divisional team with experience across all Services was assembled to scope and plan the implementation of the charge and facilitate the design of the service.

This team met on a 2-weekly basis from June 2018 to create and deliver a project plan, design the service, purchase and test new technology and configure existing systems to manage the number of financial transactions expected.

Library staff were trained to be able to offer assistance to residents requiring help with making payment online.

Processes were put in place to record and analyse data to allow reporting via the Tableau system.

An external company was appointed to manage the printing and distribution of the bin stickers.

Marketing and promotional activities took place to promote subscription. Activities included lamp-post poster advertising, collection vehicle banners and social media activities.

A letter was sent to all Midlothian residents in January 2019 giving details of the new charge and advising residents that if they did not wish to pay the charge they could return their brown bin. The payment portal was available from early January 2019.

Details of the addresses which had paid were collated and passed to an external sticker production company who printed the bin stickers and mailed these directly to residents.

Unwanted brown bins were collected by Waste Services with damaged bins sent on for recycling and others returned to stock for reuse.

The final date for signing up to pay to ensure a collection in November was Monday 30 September, 2019.

4 Operational results

4.1 Number of subscribers

As at 30 September 2019, the uptake was 17,646 properties with 18,516 bins requested.

13,237 residents paid for the service in the initial payment phase.

Two thousand residents, 11% of all subscribers, visited their local library to receive assistance with paying online. This number reflects not only the necessity to provide their service, but the impact on the workload of existing staff.

Details of uptake are detailed in Appendix 1.

4.2 Overall tonnages collected

A total of 6,036 tonnes of garden waste was collected in the period March to September 2018. In the same period in 2019, 5,007 tonnes were collected – a decrease of 17%.

It should be noted that the amount of garden waste collected in a particular month, or throughout the growing season is largely dependent on the weather.

There is a cost saving relating to the reduced garden waste disposal cost.

4.3 Tonnages collected at the kerbside

A total of 6,280 tonnes of garden waste was collected at the kerbside in 2017/18.

From March to end September 2018, 5,149 tonnes of garden waste was collected at the kerbside. In the same period in 2019 3,764 tonnes of garden waste was collected – a decrease of 27%

See Appendix 2a.

4.4 Diversion of garden waste to Household Waste Recycling Centres

Residents have been able to dispose of garden waste free-of-charge at the two Household Waste Recycling Centres.

From March to end September 2018, 887 tonnes of garden waste was collected from the Recycling Centres. In same period in 2019, 1,243 tonnes of garden waste was collected – an increase of 40%.

See Appendix 2b.

4.5 Diversion of garden waste to the residual waste stream

From March to end September 2018, 9,528 tonnes of residual waste was collected from the grey bins at the kerbside. In same period in 2019, 9,182 tonnes were collected – a decrease of 4%.

A 10% diversion of garden waste to the grey bin was expected. Whilst it is difficult to analyse how much garden waste has been diverted to residual waste disposal as a result of the garden waste charge, the cost approved in the November 2018 Council Report of £44,600 is assumed.

See Appendix 2c.

5 Financial report

5.1 Income

Service charge

Uptake of the service was forecast at 50%.

The income expected, based on a charge of £35 per bin and 19,000 subscribing households, was £665,000.

To 30 September 2019 uptake was 17,646 households, 46% of eligible houses, with 18,516 bins requested. 774 houses have more than one brown bin.

The income generated was £648,060.

End of life bins

An income was expected to be realised from the recycling of end-of-life unwanted brown bins.

To 30 August, 2,514 brown bins were returned. 2,271 were sent for recycling.

The total income received was £8,052.

Savings from reduced tonnage:

1,184 fewer tonnes of garden waste was collected from March to end August 2019 against budget. This has resulted in a garden waste disposal saving of £48,418. Projecting this forward to include disposal savings in September, October and November, a disposal saving in the region of £50,000 could be achieved in total for 2019/20 and in future years.

As previously stated, any reduction in garden waste tonnage is not necessarily restricted to the introduction of the garden waste charge, but may be subject to other factors such as weather.

5.2 Costs:

End-of-life bins

The income from recycling end-of-life bins was off-set against the cost of collecting the unwanted bins.

The cost of removing unwanted bins currently stands at £17,190.

Consequently, the service requires the ongoing employment of a Grade 2 Collector/ Driver, referenced below.

Marketing

The mailing to introduce the service and provide bin stickers cost £35,327.

Promoting the service including posters, lamp-post advertising boards, vehicle advertising panels and social media advertising cost £4,827.

Systems Development Work

Significant systems development work was required to integrate existing internal systems to process the large number of transactions associated with the charge.

To enable online applications and payments, new technology had to be purchased and existing systems had to be configured and integrated. Jadu Paybridge was purchased to integrate our online forms with our payment system.

This cost £21,760 in the 2018/19 for consultancy, technology, integration of components, design, testing, training and project management plus an annual subscription to Paybridge.

Ongoing recurring costs of £6,000 are required for annual subscription to Paybridge.

A further £4,500 is required annually to support the high level of online financial transactions.

Disposal via residual waste

As previously stated, although it is difficult to isolate the cost of garden disposal via the residual waste stream, the report assumes that those who have not subscribed to the garden waste service, may dispose of garden waste in this manner. As referenced in the 18/19 report approved by Council, this report assumes a similar diversion to residual at a cost of £44,600.

Staff resources

Significant staff resources were required to implement the introduction of the charge.

The additional workload was managed by existing staff resources however it should be recognised that considerable additional pressures were put on existing teams. This included staff in Digital Services, Business Services, Waste Services, Library Services, Corporate Communications, and the Customer Services Teams.

To ensure robust infrastructure was in place to accommodate the number of online transactions expected, particular pressures were placed on Digital Services and Corporate Communications to identify, implement and test a workable solution that made sure residents could sign up easily.

In cases where customers had a particular issue, assistance was provided by staff in Customer Services, Library Services and Waste Services, often with a face-to-face interaction in order to achieve a satisfactory outcome.

The Communications Team also responded to a considerable number of Facebook queries.

5.3 Financial report

The income received from introducing the charge is shown in the table below.

It should be noted that a proportion of payments received for the 2019 collection season fall into the 18/19 Accounts, so the term "Season 1" has been used to cover the whole period of payments and collections.

Table 1. Financial report

Item	Season 1 Budget per Council Report Nov 18	Season 1 Actual to Date + Forecast	Variance to 1819 Report	20/21+ per new report
Income Based on 50% Uptake	- 665,000	- 648,060	16,940	- 648,060
Systems Integration and Maintenance	10,500	10,500	-	10,500
Mailing to residents / Sticker Cost	19,000	35,327	16,327	25,015
Informational bin tags	910	908	- 2	910
Promotional materials	0	4,827	4,827	3,500
Income from end of life bins	- 20,900	- 8,052	12,848	- 4,831
Cost of collecting end of life bins	28,925	17,190	- 11,735	-
Garden Waste Disposal to grey bin	44,600	44,600	-	44,600
Saving From Reduced Tonnage to Green Waste	- 25,060	- 48,418	- 23,358	- 50,000
Collector/Driver (Gr2)	25,260	-	- 25,260	26,313
NET TOTAL	- 581,765	- 591,178	- 9,413	- 592,053

5.3 Savings achieved

The approved budget saving for Season 1 of the Garden Waste Chargeable Service agreed at Council on 13 November 2018 was £581,765.

To 30 September 2019 a net saving of £591,178 has been achieved.

A net saving in the region of £592,053 is expected in 2020/21 and thereafter, assuming no reduction in the number of subscribers and no change in the amount of garden waste collected.

6. Challenges experienced

The introduction of the service led to high levels of customer contact via the Contact Centre. A total of 4,324 contacts were received between 7 January and 30 September.

177 complaints about the introduction of the service were received. These can be summarised as below.

Table 2: Summary of complaints

Number of complaints	Category	Resolution
58	Method of payment	Steps were taken to contact customers to advise that assistance with online payment was available in local libraries, or that friends or family could make payment on their behalf. All but two of these residents went on to make an online payment for the service.
7	Lack of concession rate	Council agreed that no concession were available.
12	Introduction of charge	Council agreed to introduce a charge.
100	Other / uncategorised. These mainly related to the time take to remove unwanted bins but also included those who did not wish to pay for the service as leaves fell into their property from Council owned trees.	Removing unwanted bins was a one-off year one project. This number of complaints is not expected moving forward.

A further 411 complaints were received regarding bins being missed / not emptied and 159 regarding missed pull outs. Up to 30 September a

total of 189,798 separate collections have been made. This results in 0.3% of instances where a bin was not emptied as expected.

An individual response was provided to all complaints with staff working holistically across departmental teams to deliver an outcome focused result.

Address data

A further issue with regard to the introduction of the service relates to the historic standalone nature of Service data, particularly in relation to mismatched address data between Waste Services and Planning and a difference between a customer's postal address and the address data held on the Gazetteer.

Invalid, missing or differences in address data resulted in a customer being temporarily unable to pay for the service. The effort to consolidate and update data has consumed considerable resource time across departments.

7. Implementation Plan 2020 and forward

The last uplifts of garden waste in 2019 will take place between Monday 11 and Friday 22 November. It is planned that the service restarts on 16 March 2020.

An un-addressed leaflet will then be delivered by Royal Mail to all residents in January 2020 reminding residents to pay for the service and encouraging early subscription.

The online payment portal will be available in early January 2020.

Work is continuing to automate the integration of address data between the Service applications.

IT development work will be carried out to develop automated data transfers.

Processes and roles will be reviewed for delivering the service.

For those who do not have access to the internet, assistance and advice will be again be available at all council libraries through the provision of an 'Assisted Online' service to meet community need.

Marketing and promotional activities will take place to promote subscription. Activities will include lamp-post poster advertising, social media activities and posters and banners in community hubs and Council offices.

Details of the addresses who have paid will be collated and passed to an external sticker production company who will print the stickers and mail these directly to residents.

In order to receive a bin sticker before the first garden waste uplift, payment must be made by 23:59 hours on 20 February 2020.

Residents will be able to sign-up and pay to 12:00 hours on 30 September, 2020. No pro-rata rate will be available.

Work is progressing to determine how customer email addresses can be retained to allow residents to be advised of their last collection day

of the season and to advise how to sign up and pay in subsequent years.

The fixed term Collector/ Driver post (Grade 2) is to be made permanent.

8 Report Implications

8.1 Resource

This report proposes to continue the chargeable service with the £35 per bin charge remaining static for 2020 to encourage retention rates, and potential new subscribers.

This is expected to generate a net saving in the region of £592,053.

Internal staff and technology resources continue to be required including:

- Internet, database management, Civica and Paybridge to allow payments to be made and managed.
- Existing staff resources within Digital Services, Business Services, Library Services
- Staff resources within the Contact Centre in answering customer queries, and processing refunds
- Staff resources within Digital Services in automating the process of passing subscribing addresses to the sticker printing company
- Staff resources within Waste Services in collating collection routes, dealing with customer queries and issues relation to missed collections
- Staff resources within Corporate Communications to implement a communications plan to ensure maximum sign up.
- A dedicated Collector/Driver (Grade 2) to ensure timely replacement delivery and repair of all waste/recycling bins and boxes.

8.2 Risk

Risk Causes: Fewer households subscribe to the service resulting in a smaller income than predicted received.

Risk Event: There is a risk that fewer residents choose to subscribe to the chargeable service and will place their garden waste in their residual waste bin, or blue recycling bin, instead. Any changes to the current method of service delivery risk impacting the cost and delivery of the service, and the income level achieved.

Risk Impact: There is high risk that the Council's recycling performance will fall. There is a high risk that if a dedicated Collector / Driver is not appointed, customers will experience a long delay in receiving a replacement bin leading to complaints about the service.

Actions to mitigate risk:

A wide communications and marketing campaign to raise awareness of the charge and encourage registration.

There are wider reputational risks associated with system or payment failure, non-delivery of bins stickers, uplift of end-of-life bins or late replacement or damaged or broken bins.

To recruit a dedicated waste container Collector / Driver (Grade 2).

8.3 Single Midlothian Plan and Business Transformation

Themes addressed in this report:

- Community safety
- Adult health, care and housing
- Getting it right for every Midlothian child
- Improving opportunities in Midlothian
- Sustainable growth
- Business transformation and Best Value
- None of the above

8.4 Key Priorities within the Single Midlothian Plan

The budget projections indicate that in 2020/21, Council will have in the region of £592,053 available for the provision of services and the pursuit of key outcomes as set out in the Single Midlothian Plan.

8.5 Impact on Performance and Outcomes

Diversion of garden waste to the Recycling Centres will continue to be expected but loss of tonnage due to uptake of home composting will affect Midlothian Council's recycling performance.

The service also impacts on the performance and outcomes of other services eg; Contact Centre, Library Services, Corporate Communications, Digital Services and the Business Applications team due to queries, requests for assistance and processing payments and refunds.

8.6 Adopting a Preventative Approach

The measures being proposed alongside the new charge are intended to ensure that so far as reasonably practicable the recycling of garden waste will be maintained.

8.7 Involving Communities and Other Stakeholders

It is expected that the voluntary sector will be utilised to assist residents with the online payment for the service. Community Councils and community hubs are also expected to assist with promotion of the service as well as reporting feedback.

Community groups are to be encouraged to promote use of the internet to their service groups and users or to offer adult learning around internet use.

Customers are able to share bins with neighbours in flatted properties.

8.8 Ensuring Equalities

An Equality Impact Assessment (EqIA) on the proposal to charge for garden waste collections was presented to Council in February 2018.

8.9 Supporting Sustainable Development

There are no Sustainable Development issues as a consequence of this report.

8.10 IT Issues

Significant development work has been undertaken by the Digital Services team along with Business Applications and the Web team for payment set up and the integration with both the Customer Relationship Management system and the Council's payment system.

9 Recommendations

Council is recommended to: -

- a) Note the project to design and implement the service by multi-disciplinary teams working holistically across the Council
- b) Note Midlothian Council's first instance of a large scale online payment service was implemented successfully
- c) Note the income achieved from the successful introduction of a garden waste charging scheme.
- d) Note the complaints received and the mitigation measures taken.
- e) Retain the charge of £35.00 per bin in 2020 and to add this to the Fees and Charges register.
- f) In line with the Council's 'Digital by Design' vision, the principal method for full upfront payment remains online
- g) To appoint a dedicated Collector / Driver with responsibility for all bin deliveries and repairs

Date 12 November 2019

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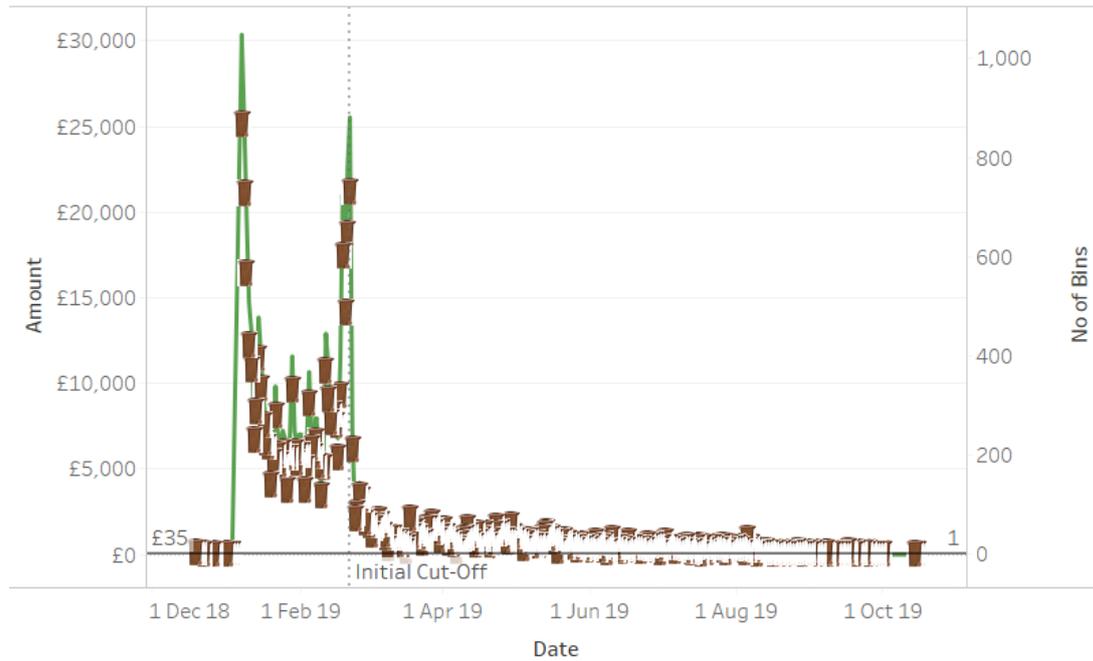
Background Papers:

Garden waste charging: implementation and impact mitigation measures
Report to Council, Tuesday 13 November 2018

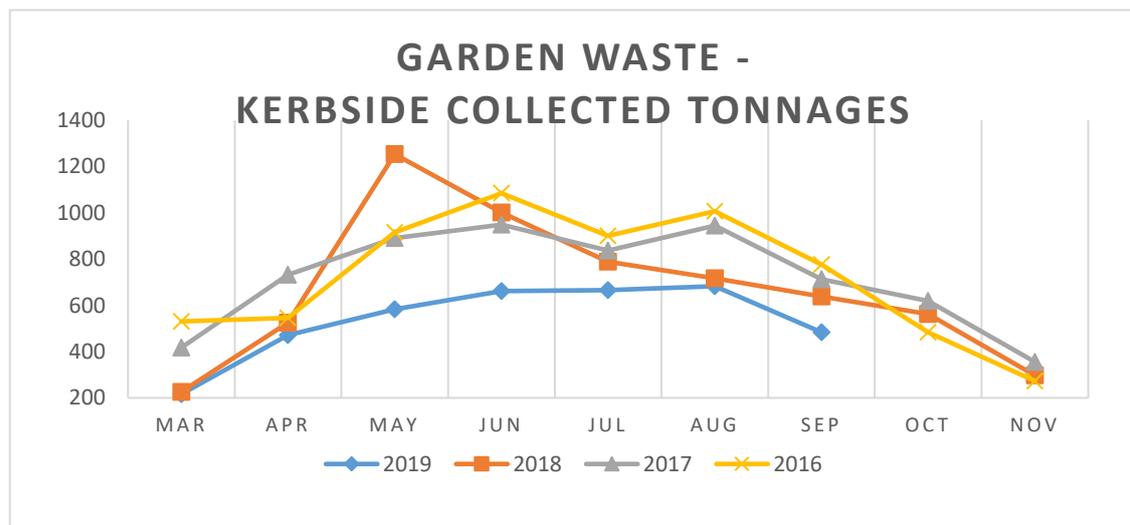
Appendices:-

Appendix 1: Uptake by date

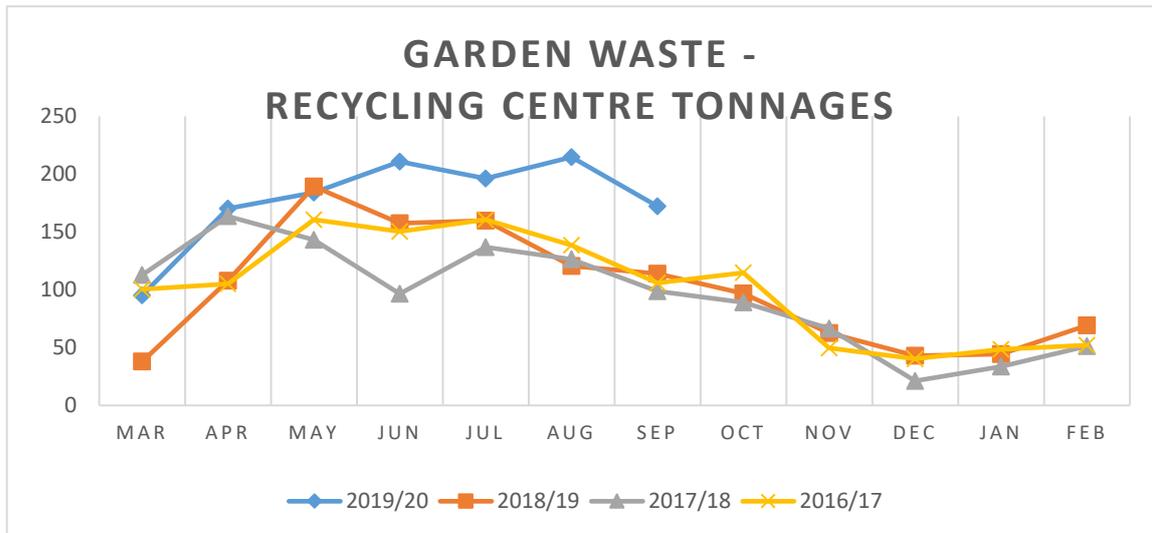
Total Amount & Bins by Day



Appendix 2a: Tonnages collected at the kerbside



Appendix 2b: Diversion of garden waste to Household Waste Recycling Centres



Appendix 2c: Diversion of garden waste to the residual waste stream

