

Transport and Environment Committee

10.00am, Thursday, 20 June 2019

Review of Chargeable Garden Waste Service

Executive/routine Wards Council Commitments	Executive All
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1. Recommendations

- 1.1 Committee is asked to:
- 1.1.1 note the implications of the change to reintroduce free kerbside waste collection services;
 - 1.1.2 agrees that changing the recent decision to charge for garden waste collection should be a budget decision and would need to be agreed as part of that future process;
 - 1.1.3 note the financial implications outlined in paragraphs 4.17 – 4.19 and in the financial implications of any change to the current garden waste service arrangements;
 - 1.1.4 note the options and implications of co-collection of food and garden waste and agree to retain the current arrangements for collecting food and garden waste; and
 - 1.1.5 subject to approval of paragraph 1.1.2, approve the arrangements set out in appendix 1 in respect of the chargeable garden waste collection service, namely:
 - 1.1.5.1 approve the revised policy and note that the Terms and Conditions will be updated in line with this; and
 - 1.1.5.2 approve that the £25 charge will be frozen for 2019/20 but that the service will cease for a four week period over Christmas (two collection cycles) to allow resources to be used to provide resilience to other services in the festive period.

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Executive Director of Place

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Review of Chargeable Garden Waste Service

2. Executive Summary

- 2.1 On [16 May 2019](#), the Transport and Environment Committee considered a report on a Review of the Council's Chargeable Garden Waste Service Policy. The Committee approved a Motion and an Addendum which agreed in principle to cease the chargeable garden waste collection, subject to a report being presented to this Committee.
- 2.2 This report responds to the May Motion and Addendum and provides information on tonnages, the implications of reverting to a 'free' fortnightly garden waste collection and on the possibility of combining food and garden waste collections.

3. Background

- 3.1 In setting the budget for 2018/19, on [22 February 2018](#) the City of Edinburgh Council approved the introduction of a chargeable garden waste scheme, combined with a reinstatement of the previous two weekly collection cycle.
- 3.2 The business case for this set out a projected sign up rate of 56,700 households/permits, and to date 67,435 customers have been issued with 73,292 permits. This has surpassed the original business case and has generated an approximate net income of £1.4m to the Council.
- 3.3 Transport and Environment Committee considered a report on the Review of the Council's Chargeable Garden Waste Service Policy on 16 May 2019 and approved a Motion and an addendum as set out below:
 - 3.3.1 Agrees in principle not to commence a second year of chargeable service and instructs officers to report back to committee on reintroducing fortnightly garden waste uplifts funded in the same manner as general household waste collections. This report should include the option of integrated garden/food waste uplifts; and
 - 3.3.2 Notes with concern the reduction in the tonnage of garden waste recycled in 2018/19 and in the first five months since the start of charging for collection, therefore calls for an update report on tonnage of garden waste recycled in order to monitor this performance.

4. Main report

Tonnages

- 4.1 In the first full six months (October 2018 to March 2019) 5,186 tonnes of garden waste has been collected for recycling from kerbside collections. This was 842 tonnes, or 14%, lower than the same period in 2017/18. Over the course of 2018/19, a total of 19,017 tonnes of garden waste were collected at the kerbside compared to 21,377 tonnes in 2017/18. This constitutes a 11% drop from the same period in the year prior.
- 4.2 It should however be noted that prior to the introduction of charging many Christmas trees will have been picked up alongside, or in, kerbside garden waste bins. In 2018/19, if a customer does not have a subscription, they may not have presented a Christmas tree on the chargeable day of collection. This means that these trees would have been picked up by a separate vehicle and would not be considered alongside kerbside garden tonnage.
- 4.3 Prior to the introduction of charging, a reduction in garden waste tonnage was already being reported. For the period April to September 2018, 13,381 tonnes were collected while the same period in 2017/18 15,349 tonnes were collected. Overall this shows a reduction of 10%. For the months of August and September 2018 the reduction was of 1,700 tonnes in the tonnage collected, compared to 2017/18. This is considered to be due to the hot dry summer (acknowledged to have been the hottest summer on record).
- 4.4 Monitoring of tonnages for December 2018 and January/February 2019 shows relatively static tonnage in comparison with 2017/18. The data for March 2019 shows that 150 more tonnes of garden waste were collected in March 2019 compared to March 2018 (an increase of 25%).
- 4.5 Despite the overall drop in garden waste tonnage, there has been no increase in the amount of non-recyclable (residual) waste that can be attributed to the garden waste. There has been a small increase in the amount of non-recyclable waste, but (as reported to Transport and Environment Committee on [16 May 2019](#)) this is directly linked to an increase in contamination and rejection rates for mixed recycling material.

Garden Waste Tonnages within other Local Authorities

- 4.6 As part of the development of this report experiences from other Councils were sought. The information provided below covers the information received so far:
- 4.6.1 Highland Council introduced a charge for garden waste in July 2017. From 2017/18 into 2018/19, Highland Council experienced a 17% drop in tonnage;
- 4.6.2 East Lothian Council, who retain a free service, experienced a marginal drop (2.5%) in kerbside collected garden waste from 2017/18 into 2018/19. They

have suggested they are collecting less material per property given the relatively static tonnages but increase in household numbers; and

4.6.3 Moray Council have experienced a marginal increase and did not operate a charge until 1 April 2019.

Reintroducing Free Garden Waste Collections

- 4.7 In February 2018 the Council approved the introduction of a chargeable garden waste service for Edinburgh and in October 2018 the new service commenced. In advance of implementation, a period of registration and planning was required.
- 4.8 For 2019/20, appendix 1 outlines a review of the chargeable service operations to date and makes recommendations for changes to the scheme as a result of the lessons learned. This was considered by Committee on 16 May 2019 and the motion outlined in paragraph 3.3.1 was approved.
- 4.9 The reintroduction of a free collection service for garden waste, albeit on a fortnightly basis, would have operational and financial implications for the Council.
- 4.10 In 2018/19, the Council wrote to every eligible property in the city explaining the introduction of charges for the garden waste service and 67,435 households are currently registered for the service.
- 4.11 The previous free service was provided to approximately 123,000 households, the vast majority being in kerbside areas.
- 4.12 To reinstate the free garden waste collection service:
- 4.12.1 All properties in the city would need to be offered the chance to participate;
 - 4.12.2 Additional brown bins would be required;
 - 4.12.3 Full route plans throughout the city would be required as the service would need to operate no matter whether or not bins were presented for collection;
 - 4.12.4 A minimum of an additional five routes would be required across the city at a cost of £0.75m;
 - 4.12.5 Income of £1.4m would be removed from the Council's revenue budget.

Cost of Additional Bins

- 4.13 The cost bins is £50,000 per 1,000 bins (£2.75m if the balance of properties require a new bin). However, as part of the rollout of the chargeable garden waste service only approximately 2,000 properties made use of the garden waste bin amnesty to return their bin if it was no longer required. It is therefore fair to assume that the actual number of properties which are likely to require a new bin will be closer to 2,000 at a cost of approximately £0.1m.

Cost of Additional Routes

- 4.14 The previous service was a three-weekly collection. Data was not collected on the number of properties which presented a bin either routinely or as and when it was full. Therefore, the service is required to send vehicles to drive full routes

throughout the city regardless of how many properties on that route choose to present.

- 4.15 One collection route costs approximately £0.15m per annum to operate. The addition of 55,000 households would require an additional 27,500 collections per week, which equates to 6,875 collections per day over the Tuesday to Friday cycle. This would mean a minimum of an additional five routes. Although this assumes that not every household will present their bin and some properties may share a bin, the collection vehicles will still be required to drive past every property in case a bin is presented. This will undoubtedly result in increased fuel usage, with no guaranteed increase in the amount of tonnage collected.
- 4.16 It is therefore assumed that a minimum of a further five routes would be required.

Implications of the Reintroduction of a non-chargeable garden waste service

- 4.17 As outlined in paragraph 3.2, the current chargeable garden waste collection service generates £1.4m of income to the Council's revenue budget.
- 4.18 In addition, the anticipated costs of operating this service are:
- 4.18.1 An additional five collection routes at a cost of approximately £0.75m per annum;
- 4.18.2 The estimated cost of purchasing brown bins for properties which no longer have them could be as much as £2.75m (capital cost) however, based on the number of properties which returned bins last summer, an additional 2,000 would cost £0.1m (capital cost);
- 4.18.3 Depending on the time of year when the non-chargeable garden waste service was introduced, there may be a requirement to refund pro-rata amounts to customers that had live subscriptions for the chargeable service;
- 4.18.4 Costs would also be incurred for communications, bin deliveries and route preparations however these have not yet been quantified.

Co-collection of food and garden waste streams

- 4.19 The co-collection of food and garden waste is not technically possible for the Council currently.
- 4.20 The Alauna Renewable Energy (ARE) plant, located at Millerhill, is a wet Anaerobic Digestion plant and is not capable of treating co-mingled food and garden waste, only separately collected food waste. This facility was procured jointly by the City of Edinburgh Council and Midlothian Council in partnership and is contracted to ARE for a twenty-year period.
- 4.21 If the Council wishes to consider procuring an alternative contract at a facility capable of processing both food and garden waste together (In Vessel Composting), this would require the voluntary termination of the contract with ARE. Voluntary Termination of the contract would result in a significant liability for the Partner Councils (City of Edinburgh and Midlothian Councils) to the Contractor. If this were the case, the Contractor would be entitled to recover its full loss from the

Councils. This would include the projected loss of any non-contract waste and third-party income included within the financial model for the full unexpired term of the contract and repayment of debt.

- 4.22 The Contractor's losses under the scenario above would be for just less than 17 years' income (the remaining term of the contract). It is estimated that any loss claim is likely to be in the region of £15m. It is also likely that this would precipitate a claim by Midlothian Council against this Council under the Inter-Authority Agreement as Midlothian would argue that City of Edinburgh Council has, by its actions, caused the loss.
- 4.23 As set out at section 4.15, there would need to be five additional routes if a free garden waste service were to be offered. If a co-mingled garden and food waste collection were required for our kerbside properties, the total amount of tonnage to be collected in brown bins would be circa 28,000 tonnes. This would result in an increase of circa 50% against the 19,017 tonnes of garden waste that were collected in 2018/19. To manage this increased tonnage a further five routes would require to be introduced, at an additional cost of £0.75m.
- 4.24 When moving to a co-mingled garden and food waste kerbside collection, the Council would still need to maintain a separate food waste collection service for communal areas. However, all other separate kerbside food collection routes would no longer be required. This would mean a reduction of 13 food collection routes at a saving of £0.13m per route (food waste collection vehicles are smaller vehicles and less expensive to maintain and operate than larger RCVs), giving a full year reduction in collection costs of £1.690m per annum. However, it should be noted that most of this fleet have outstanding finance payments up until 2024, and a one-off payment of approximately £0.624m would be required to terminate these finance agreements.
- 4.25 In addition to the contractual issues outlined above, there are also disposal cost implications. The cost of treating food and garden waste in an In-Vessel Composting (IVC) system is in the region of £60 per tonne. The annual cost therefore of treating co-collected food and garden tonnage, based on 2018/19 arisings, would be £1.690m (£60 x 28,168 tonnes). Over the 2018/19 period the total amount of food waste collected (9,151 tonnes) was treated at a cost of £0.568m and the cost of treating kerbside garden waste was £0.475m giving a combined disposal bill of £1.043m. On this basis, the move to a co-collection service would result in an increase in disposal costs of £0.647m.
- 4.26 Additionally, national research undertaken by the Waste and Resources Action Programme (WRAP) considered the performance of co-collected fortnightly food and garden against a weekly separate collection of food waste and indicates a weekly separate collection of food performs better in terms of diversion rate of material collected and largely achieves a better yield of material recycled per household.

5. Next Steps

- 5.1 Subject to approval of the arrangements for chargeable garden waste collections for 2019/20, the registration for the second year will commence on 26 June 2019.
- 5.2 If the arrangements for chargeable garden waste are not approved, plans will be developed for re-introducing a free garden waste collection service.

6. Financial impact

- 6.1 As set out in paragraphs 4.17 – 4.19, the financial implications of the reintroduction of a free fortnightly garden waste collection service are:
 - 6.1.1 A loss of £1.4m (net) per annum income for the Council;
 - 6.1.2 A minimum of five additional collection routes at a cost of £0.75m;
 - 6.1.3 Additional purchase of brown bins, based on 2,000 bins being required, at a cost of £0.1m (capital); and
 - 6.1.4 Additional costs for communications, route planning and bin deliveries.
- 6.2 This means that the Council would need to find a minimum of an additional revenue cost £2.15m (exclusive of communication and bin delivery costs) funding in the first full financial year, with an on-going requirement of £2.15m.
- 6.3 If the non-chargeable service is to be introduced for financial year 2019/20, these additional costs would need to be met from within the financial resources aligned to the Transport and Environment Committee remit, as the decision is being taken outwith the Council's budget setting process.
- 6.4 If the non-chargeable service is proposed for introduction from financial year 2020/21, this proposal would be included within the Council's budget setting process. Depending on the decision at the timing of the service introduction, customer refunds may also be required.
- 6.5 A decision to co-mingle garden waste with food is estimated to cost £1.86m per annum, with a one off payment of £0.624m required in year one to cover the food waste collection vehicle finance termination costs. A capital allowance would also be required for the provision of brown bins for households that currently use food waste collections but do not have a garden waste collection. This requirement can not currently be qualified without some form of an expression of interest from householders.
- 6.6 This does not include any potential termination costs arising from a separate decision to co-collect food and garden waste which would likely be subject to legal action from both Alauna Renewable Energy (likely to be in excess of £15m), and Midlothian Council. Nor does it include the termination costs for the existing food waste collection fleet.

- 6.7 It would not be possible to introduce this service in 2019/20 therefore any Committee recommendation would be included in the Council's budget setting process for 2020/21 onwards. The financial implications of this would need to be carefully considered.
- 6.8 Furthermore, the Council's Financial Regulations set out Executive Directors' responsibilities with regard to budget management and the overriding requirement to maintain expenditure within approved levels. Specifically, where an Executive Director:
- 6.8.1 Proposes to incur revenue or capital spending that is not included in the revenue budget or capital investment programme approved by Council or to reduce income provided in that way; and
- 6.8.2 Does not propose to pay for the spending by reallocating existing funding, the Executive Director must seek a supplementary estimate.
- 6.9 In such cases, a report must be prepared for the Finance and Resources Committee with an assessment of the financial spending consequences for the current and future years and, where relevant, the equality and rights impact of the changes. In the case of revenue expenditure, this appraisal should include identification of the budget head(s) to be reduced in future years. If the Finance and Resources Committee agrees, it will submit a recommendation to Council.

7. Stakeholder/Community Impact

- 7.1 The introduction of a charge for this service was made in setting the budget for financial year 2018/19, and this budget setting was itself subject to a period of public consultation.
- 7.2 The provision of a food waste collection service is a legal requirement; the provision of a garden waste service is not.
- 7.3 The separate collection of food from garden waste is environmentally optimal in terms of carbon management. The introduction of the charge for the garden waste collection has allowed the Council to both continue to provide this non-statutory service and reinstate a fortnightly collection service.

8. Background reading/external references

- 8.1 None.

9. Appendices

- 9.1 Appendix 1 – Chargeable Garden Waste Policy (revised March 2019 v2)

Appendix 1

Chargeable Garden Waste Policy Revised March 2019 v2

Provision of Garden Waste Collection

- Our aim is to make the garden waste collection service available to as many households as is practicable, provided we are able to operate an efficient collection route and that it is operationally feasible to provide the service.
- This is not a statutory service; there is an annual charge for providing this service.
- The charge does not include the cost of composting the material collected.
- The service will operate every two weeks, and the collection dates will be advertised on our website. The service will cease for a period of 4 weeks (i.e. two collection cycles) in winter.
- A variation of the service is available on defined streets in the Colinton area. This service is provided by Tiphereth/Colinton Community Compost. Residents in those streets who register to receive a garden waste collection will receive the sack based service as provided by Tiphereth, and not the standard brown bin service provided by the Council.

Eligibility

- This service is provided for the collection of household waste.
- The Council does not operate a commercial waste collection service, and commercial premises (including bowling greens and similar clubs) are not eligible to receive the service
- Ambassadorial and other embassy premises may be eligible to receive the service but will be required to register and pay for it in the normal way.
- Places of worship premises may be eligible to receive the service but will be required to register and pay for it in the normal way
- Council premises who request the service will be able to do so but must register and pay for the service.
- Organisations who operate community gardens on Council premises may receive the service but must arrange this through the Council service (e.g. libraries, housing, etc) who are responsible for that land, and they will be required to pay for the service.

Exemptions from Payment

- Some people do not have to pay to use the garden waste service, however they must still register to use the service using either their mygov account or one of the other registration routes.
- People who need to register for the service but do not have to pay for it are:
 - People who are in receipt of the welfare benefit Council Tax Reduction (previously called Council Tax Benefit)
 - People who live in a household where someone is registered with Council Tax as being Severely Mentally Impaired
 - People who receive the Council's Garden Aid service AND are also exempt from paying for it.

Paying for the service

- The annual charge covers a full 12 month period which runs from October to September. Collections will be suspended for a 4 week period (2 collections) in winter.
- The registration period for the year will take place in June/ July. If you subsequently join the service during a later registration period, you will still be required to pay the full annual charge.
- You can register on our website to receive a reminder to register
- You may register and pay for the service on behalf of someone else, e.g. a relative.
- We are not able to accept householders who wish to join the service outwith a defined registration period.
- The charge will apply per bin – you may sign up more than one bin. We will only empty bins which carry the relevant sticker to show that they have been registered.
- The chargeable service may be transferred to a new property subject to the new property being eligible to receive the service. It will be the responsibility of the customer to provide a minimum of six weeks notice of the change; the customer will be responsible for transferring the bin to the new location.
- If your new property does not receive the service (or is outwith the Council boundary) please leave the bin at the current address so that the new residents can use it for the remaining period.
- If you wish to share a bin with a neighbour, or neighbours, only one person should sign up to the scheme and make payment, and ensure that the bin is properly presented on the correct days.
- The bin will be registered to that property (e.g. their flat) and all correspondence, enquiries or complaints relating to the service must be directed through that person.
- There is no discount for the smaller size bin.
- Residents that qualify under the Council Tax Reduction scheme (previously Council Tax benefit), or where someone at the address is registered as severely mentally impaired, will be exempt from paying for the service.
- http://www.edinburgh.gov.uk/info/20127/benefits_and_grants/43/claim_a_council_tax_reduction

Use of the service

- It is important that your brown bin is only used to collect the correct materials as outlined below. All materials must be loose, and not in a bag. **We do not accept any kind of bag or liner in the brown bin.**
- Bins which contain other materials will **not** be collected and we will not issue refunds for these collections
- You must present your bin by 6AM on the day of collection and remove it as soon as possible after collection.
- The bin must be presented at the kerbside outwith your property (except where an assisted collection has been arranged) with the lid fully closed, and in line with our normal policy on the Presentation of Waste.
- Our normal Assisted Collection Policy will apply to this service.

- All bins must display the garden waste collection scheme sticker for the appropriate year.
- Where the service is provided to a Council building or land (e.g. a community garden) it is the sole responsibility of the group responsible to arrange for the bin(s) to be presented for collection and then removed from the street on the correct days.
- Should this prove to cause conflict with the Council's policies on the presentation of waste (e.g. if this means that bins are left out in an area where the other premises are commercial) it may be necessary to review or remove the service.

Collection of garden waste

Collections will take place from 6am on the collection day.

Failed collections

- Collection crews will record instances where bins are not presented or where the contents are contaminated with other types of waste or are too heavy to lift. Those bins will not be uplifted, and no refund will be issued.
- You should remove any contaminants or reduce the weight of the bin, and present the bin again by 6 AM on the next collection date.
- We regret that we are not able to collect garden waste when the contents are frozen due to weather conditions. We will collect on the next scheduled collection; we will not issue a refund in these circumstances.
- Where we are not able to collect your bin due to circumstances outwith our control (such as roadworks or no access) crews will record this and we will seek to return as soon as possible. We will not issue a refund.
- Where we are not able to collect your bin due to circumstances within our control (such as vehicle failure) crews will record this and we will return to collect it within two working days.
- Where we fail to collect your bin as a result of our error, we will return to collect it within two working days of being notified. (Please refer to the operational days for the service).

Materials accepted in brown bins

- You **can** put these in your brown bin:
 - Flowers, plants and weeds
 - Grass cuttings and leaves
 - Hedge clippings, twigs and small branches
 - Christmas trees (all decorations must be removed; Christmas trees may also be presented beside the bin in January only; (please cut trees in half)
- You **can't** put these in your brown bin:
 - Food
 - Animal waste and bedding
 - Plant pots
 - Soil and turf
 - ANY TYPE OF BAG (including bags labelled compostable, degradable or biodegradable)