

Report To:	Cabinet	Date:	19 th January 2016
Heading:	CONSIDERATION OF GLASS COLLECTION PROPOSALS FOLLOWING BUDGET CONSULTATION		
Portfolio Holder:	CLLR TIM BROWN - ENVIRONMENT		
Ward/s:	ALL		
Key Decision:	Yes		
Subject To Call-In:	Yes		

Purpose of Report

The report sets out proposals to change the Council's glass collection service from a 4-weekly 44 or 55 litre box collection, to an 8 weekly 140 litre bin collection. The proposal requires a capital investment of £750k but even allowing for the cost of borrowing, will realise a revenue saving of £50k p.a. The proposal was supported by 61% of respondents in the recent budget consultation exercise and provides residents with an increase in capacity for glass collection, as well as the ergonomic improvements that a wheeled bin provides over the existing box collection method. In light of this it is hoped the proposal will encourage greater participation in the glass collection scheme, increasing the amount of glass recycled and the district's recycling rate.

Recommendation(s)

1. To change the method of collection for glass bottles and jars from 44 or 55 litre blue boxes to 140 litre wheeled bins (multi-dwelling premises will continue to receive bespoke provision as necessary).
2. To change the glass collection cycle for each property from 4 weeks to 8 weeks.
3. To acknowledge that residents will be advised to retain their existing blue box.
4. To recommend to Council that a 2017/18 capital budget of £750k be created for the purchase and distribution of new 140 litre bins for glass (£710k) and associated project management and communication costs (£40k). £40k will be contributed from the Corporate Improvement Fund towards funding the scheme.
5. To adjust and reduce revenue budgets accordingly to enable a net annual saving of £50k to be realised.
6. To reduce the structure by 1 crew comprising 1 Waste Collector/Relief Driver and 2 Waste Collectors, and vehicle fleet by 1 vehicle in order to deliver the required saving.
7. To acknowledge and approve the project approach, including risks and mitigations as set out within the report.
8. To ensure timely and effective decision making, to delegate authority to the Service Director – Place and Communities, in consultation with the Portfolio Holder Environment, to vary the implementation timetable in line with the practical and logistical requirements of the project.

9. To delegate authority to the Service Director – Place and Communities, in consultation with the Portfolio Holder – Environment to finalise the policy regarding opting out and sharing bins with neighbours.

Reasons for Recommendation(s)

1. There are a number of benefits to the Council in delivering this proposal:
 - **Environmental:** Expect increase in glass capture due to better receptacle. Having undertaken a waste sort of general waste there is still approx. 500 tonnes of glass going into the red bins.
 - **Operational:** less manual handling issues, less crew rotation required, better service provided due to greater round knowledge, potential improvements in absence management
 - **Financial:** The proposal should deliver a £50k per annum contribution to the Council's medium term financial strategy.
2. In the recent budget consultation exercise, 61% of respondents supported the proposal. Potential benefits for residents include:
 - **Easier to move:** Some people find the boxes heavy. A bin would be easier to handle
 - **Safer** – the bins would have a lid so that any glass is contained.
 - **Footprint:** - The footprint of a bin will be similar to a box.
 - **No leaking** - boxes have drainage holes and so water can drain through when people are carrying them. This wouldn't be a problem with a bin
 - **More capacity:** The bin would offer much more capacity than people have currently. We are proposing to double collection period and increase capacity by more than double (to 140 Litres from 44 or 55 litres currently).
3. In a recent study of 6,000 properties over 10 weeks, only 9% utilised the scheme every 4 weeks.
4. Only 60% of households used the scheme once during three collections, compared to approximately 90% participation for the green-lidded bin. This suggests there is potential to increase the level of participation and glass capture rate and therefore improve the district's recycling performance.
5. Improving the environment and increasing sustainability are key drivers for the Council. Residents of Ashfield have always been extremely supportive of the Council's efforts to help them recycle more.
6. The equipment and method of operation for emptying boxes and bins is different and therefore it is not possible to operate a hybrid solution where people could choose to have a bin or a box. There will, however, be specific arrangements put in place for multi-dwelling premises as per the local need.
7. It is not economically viable to recover the existing blue boxes. These should therefore be used for storing recyclables in the home prior to placing in the relevant recycling bin, or else any other suitable purpose as determined by the householder.

Alternative Options Considered (With Reasons Why Not Adopted)

To leave the service unchanged. This has been rejected because the proposal offers a number of benefits to residents, to the environment and to the Council's financial position and operational effectiveness.

Detailed Information

The Council is committed to increasing recycling rates within Ashfield. The revised Waste Framework Directive (WFD) requires the UK to achieve a 50% recycling rate of municipal waste by 2020.

10 years ago, the Council completed the phased introduction of a number of kerbside recycling schemes. Over a four year period Ashfield's recycling rate rose from 1% to 33% representing a dramatic improvement. A key factor in that progress was the way in which residents of Ashfield embraced the changes and responded positively to the new way of collecting their waste. Since then, due to the increasingly challenging financial position and the limitations of available investment, Ashfield's recycling rate has remained stable; and in 2014/15 nearly 30,000 tonnes of waste collected by the Council was not recycled and went for other disposal/treatment and potentially up to 20% of the material which went into the general waste bins could have been recycled or composted using one of the other receptacles provided.

An ambitious new bin project was introduced in 2015/16 which was a bold move to significantly increase recycling rates. By changing the residual waste bin from a 240L to a 180L bin, offering a free garden waste scheme (for two years) and giving detailed recycling advice, it is being projected that the recycling rate will have increased by 10% as a consequence, with a 42% recycling rate estimate for this financial year.

As part of the Council's aspirations to maintain accessible recycling services, whilst at the same time maximising operational efficiency, it is proposed to change the glass recycling scheme from a 4-weekly blue box collection to an 8 weekly blue bin collection.

By making a capital investment of £750k the Council is able to provide residents of Ashfield with a 140l bin to replace their 44 or 55 litre glass collection boxes. By more than doubling capacity, collection frequencies are able to be changed from a 4 weekly to an 8 weekly cycle which will realise £50k savings from the Council's revenue budget per year. It is hoped that the move to better containers, that are easier to manoeuvre, will increase participation. This will further increase the amount of glass recycled in Ashfield and, in turn, the district's recycling rate. There is a recognition that, whilst the above approach will work for most households, there may be some who would prefer not to have another waste bin on their property, therefore an 'opt out' or bin share scheme will be offered to accommodate those who do not want the additional bin.

The proposed change in the glass collection service is the next step in reshaping waste services in Ashfield. This will ensure the service remains as efficient and accessible as possible with even more capacity being provided to residents to enable increased participation in recycling.

Consultation

The Council recently undertook a budget consultation exercise to seek residents' views on a number of areas where potential service changes or budgetary savings could be made. The consultation asked residents whether they were in favour of the proposal outlined above. It also sought to understand how often residents use the current box scheme, and whether the change to a wheeled bin would encourage residents to recycle more.

The results of the survey found that 61% of respondents agreed with the proposals with only 28% of residents disagreeing. 11% of residents either didn't answer the questions or held a neutral position.

Data gathered from a recent study of 6,000 properties captured over three collection cycles showed that the glass recycling box was only presented at 9% of properties on each of the three collection cycles (i.e. every 4 weeks). Only 60% of properties presenting once during the same time period highlighting the potential for expansion in participation. To supplement this study and gain a deeper insight into residents' views around participation in the glass recycling scheme, the survey asked residents how often they participate in the current scheme.

Whilst a higher proportion than the observational data (40%) advised they used the current scheme every 4 weeks, around 45% of residents stated that they participated in glass recycling less frequently. This again demonstrates the potential for growth in participation and supports the justification to increase the collection frequency to 8 weeks.

Human Resource implications

Adopting the proposals and financial savings outlined in this report will require a reduction in 1 crew from the Waste Services team. This means the reduction of 1 vehicle and associated cost savings and the deletion of 1 Waste Collector/Relief Driver and 2 Waste Collectors. This Structure change would be implemented in line with the Restructure and Redundancy policy.

Financial business case

To deliver this proposal an initial outlay of £750k is required to support the purchase and distribution of bins, project management and communication costs.

Gross savings from the release of 1 vehicle and associated costs, along with the reduction in establishment costs provides an annual saving of £104k. Factoring the annual cost of capital repayment at £54k per year leaves a net saving of £50k from the Council's annual revenue budget.

The following table sets out this information:

Set up costs	
Cost of bin purchase and distribution	£710k
Cost of project management & communications	£ 40k
Total project set up costs	£750k
Savings calculation	
Current cost of 4-weekly blue box scheme (includes 2 crews and vehicles with associated running costs)	£227k
New cost of 8-weekly blue bin scheme (includes 1 crew and vehicle with associated running costs)	£123k
Direct operational revenue saving	£104k
Cost of capital borrowing and Minimum Revenue Provision	£54k
Actual General Fund annual revenue saving achievable	£50k

This does not include any potential fluctuations in income levels due to moving from boxes to bins. As mentioned, it is hoped moving to a bin will increase the level of participation. If this happens the saving would increase. If participation fell, the saving would reduce.

Project approach

Following the decision by Cabinet and release of the funding by Council, a procurement process will commence for the bins and new vehicle. Preparations will take place during the Spring and it is intended that the bulk of the communications, distribution and launch of the new scheme will take place May – July 2017.

Project risks

All projects carry some element of risk, making changes to a collection service is no exception. The following table highlights the project risks and the approach to be taken to minimise the risks or turn them into opportunities.

Risks	Mitigation
Reduced participation and loss of associated income	Proactive communications plan, opt out/ shared bin scheme and mainstreamed Waste Advisor resource will enable tailored solutions to help residents participate and maximise uptake. Recent publication was also generally positive and residents have previously told us they find the boxes can be hard to manoeuvre.
Increased participation beyond capacity	Glass collection service generates commercial income for the Council along with recycling credit subsidy from the Waste Disposal Authority. Where demand increases additional capacity will be determined to understand the tipping point for an additional run and the best economically viable solution, there would be an opportunity to expand the service further if a business case could be developed
Risks of increased noise levels in collections	<p>Vehicles will be fitted with noise reducing interior panels to reduce the impact of noise from glass. Current top loaders will not be suitable for this method of collection so the new vehicle used for glass collections will have a lower bar which reduces the distance the glass needs to travel and therefore reduces the noise. The current top loader vehicles can only be used for glass collection, however a standard RCV can be used for all other waste collections which increases the versatility of the fleet.</p> <p>Waste collection teams are already provided with noise reducing PPE and this would be assessed following the change, audiometric testing is carried out regularly to ensure the health and safety of employees</p>
Risk of delays in bin production	Lessons learned from the previous bin change project has enabled good data on production ability and timeframes to be understood and factored in to this project
Risk of delivery errors	Local knowledge will be factored into the procurement process when selecting a distributor and scouts will be

<p>Risk of resident not wanting another bin</p>	<p>made available from front line crews to support with local knowledge.</p> <p>The presumption is that residents will take part in the scheme unless there are physical constraints that prevent them from doing so. Experience shows that residents adapt well to new collection arrangements and there are many advantages to having a bin rather than a box. Where necessary, particularly for multi-dwelling properties, bespoke arrangements will be made and there will also be a scheme where residents can share a bin with their neighbours. A vehicle delivery and collection crew will be available to collect unwanted bins by the autumn.</p>
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Benefits

Residents in Ashfield have helped the Council increase its recycling rate significantly, and demonstrated their support for recycling in the last decade. Adapting well to the twin bin scheme, and more recently, the move to boost recycling with the free garden waste bin and 180l red lidded bins, managing waste in a sustainable and responsible way has become high a key priority for the district. As well as supporting the Council financially, and also offering operational benefits in terms of manual handling and fleet flexibility, this proposal also offers a number of potential benefits for residents

- Increased capacity for residents by more than double
- Similar size footprint to the box
- Ergonomically easier to move
- Less risk of water leakage
- More secure with less risk of spillage

Opting out and shared bin schemes

Feedback gained in the recent budget consultation showed that some residents not in favour of the scheme referred to concerns around having another bin at their property, however experience has shown that in previous distributions residents who express initial concerns often adapt well and choose to keep the new bin.

Where there are specific physical constraints preventing someone from having another bin, an opt-out will be available, however we will do what we can to maximise participation in the scheme as it will ensure households have the maximum capacity available to them, and will help to facilitate the most potential recycling opportunities.

Where residents want to participate but have limited space available for the 140l bin, shared bin arrangements can be made. Neighbours or groups of residents will be invited to engage with the project team prior to rollout to enable the most appropriate solution to be determined for their needs.

The Service Director and Portfolio Holder will finalise the policy regarding the above and publish as part of the communications plan.

Implications

Corporate Plan:

The Place and Communities theme within the Council's Corporate Plan, commits to creating a greener Ashfield. Improving the environmental sustainability of the district is a vital aspect in doing this. This project seeks to reduce the impact of what we do on the environment by minimising waste and recycling more.

The organisational improvement theme also requires all council services to identify the most cost effective means of delivering the service.

Legal:

Procurement of bins and distribution will be carried out in line with the Council's constitution and procurement framework.

Finance:

It is estimated that the changes if approved will be in place by the end of June 2017. The financial implications for 2017/18 and thereafter are as follows:

Budget Area	Implication
General Fund – Revenue Budget	Reduction in the costs of running one vehicle and crew will be £104k per annum. The additional borrowing and interest costs are £54k per annum resulting in a net saving of circa £50k per annum. As the scheme is estimated to commence at the end of June 2017 pro-rata savings will be achieved in 2017/18.
General Fund – Capital Programme	£750k would be added to the Capital Programme for 2017/18. The project will be funded £710k through borrowing and £40k from the Corporate Improvement Fund. This project will need to be considered in conjunction with the new Capital Strategy to be presented to Council in February 2017.
Housing Revenue Account – Revenue Budget	N/A
Housing Revenue Account – Capital Programme	N/A

Human Resources / Equality and Diversity:

If this report is agreed formal consultation will commence with all affected employees. All relevant Council Policies and procedures will be adhered to. Vacancies and any potential recruitment will be reviewed and if applicable VR would be offered to ensure every option is

explored and attempt is made to mitigate the risk of compulsory redundancies. The new scheme has positive implications in terms of equalities with easier manual handling for residents with mobility limitations or disabilities. Information can be made available in other languages and Waste Advisor visits will be carried out where residents need more support.

Other Implications:

GMB and Unison recognise and support the need to make financial savings and improve health and safety, in particular manual handling operations. Both Unions hope that management work with them to ensure they avoid the need for compulsory redundancies. GMB will discuss this with their members at January branch meeting and provide feedback to management.

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