

Report to Cabinet

25 July 2019

By the Cabinet Member for Environment, Recycling
and Waste

DECISION REQUIRED

Not Exempt



**Horsham
District
Council**

Bulky Waste Collections Service

Executive Summary

In 2015, Horsham District Council awarded a Bulky Waste Disposal collection contract to local charity, Horsham Matters, in order to fulfil its statutory waste function. Our service allows residents to dispose of items such as furniture, white goods (large electrical goods) and other portable household items for a reasonable service charge. Prior to arranging the collection of any items through this service, the Council's contact centre make certain that customers are aware of the local free re-use services that are available as this helps promote waste prevention and re-use principles of the waste hierarchy. The Council's website also promotes these services as well as our own.

<https://beta.horsham.gov.uk/waste-recycling-and-bins/large-item-collection>

Once collected by Horsham Matters, any furniture and electricals can be assessed for re-use and any repairs undertaken prior to low cost resale benefiting families that may be in lower income brackets or in receipt of housing benefit. In addition to this, where re-use is not an option the items are recycled through the County Council's recycling infrastructure. The arrangement with Horsham Matters meets the Council's Environmental policies which encourages re use and recycling wherever practicable.

The contract with Horsham Matters expired on 31 March 2019. In preparation for a new tendering exercise, the Council has agreed an exemption from a procurement exercise for a period of one year during which a range of service improvements can be made that will benefit the contract specification related to any new tendering process. During this period both Horsham District Council and Horsham Matters will work in partnership allowing charitable support networks to continue providing support to those in vulnerable groups such as rough sleepers and families in low income brackets. Horsham Matters provide night shelters for the homeless and foodbanks and part of the funding for these invaluable community support mechanisms comes from the contract payments of the bulky waste service

With regard to service charges levied by the Council, a single item attracts a fee of £17 with a second or subsequent item collected for £12. Currently those in receipt of varying levels of benefit support are eligible for either a reduction in charge or a free service. The service charges have not been reviewed since 2015. The report recommends changes to charges in order to cover the increased operating costs of Horsham Matters. The Council's operating costs will remain unchanged. The revised charges will create a sustainable collections service and help Horsham Matters to continue their invaluable work in the District.

Cabinet is therefore asked to agree the recommendations outlined in order to allow statutory obligations to be discharged providing a service supported by way of a reasonable charge.

Recommendations

Cabinet is recommended to:

- i) Approve a single item charge of £20 and subsequent items at £14.
- ii) Approve a 50% discount available to those in receipt of benefits.
- iii) Continue a free of charge service for those in receipt of benefits over the state Pension age.

Reasons for Recommendations

- i) The Council can continue to provide a bulky waste reuse and recycling programme
- ii) The Council needs to introduce a revised charging structure that will allow a sustainable service to be provided. The proposed charges are in line with neighbouring authorities and they still represent a reasonable charge for service.
- iii) The revised discount of 50% takes in to account individual financial circumstance, offering a comparable discount to that offered by other neighbouring authorities
- iv) The free of charge service offered to those in receipt of benefits who are of state pension age remains unchanged.

Background Papers

Delegated Authority April 2014

The Cabinet Member responsible for Waste and Recycling at the time agreed to the revised service delivery model undertaken by Horsham Matters as part of a trial, which was successful, secured by way of a contract. The delegated authority paper dated 10 April 2014 sets out the agreement and financial instruments.

Circular Economy Package

In practice, a circular economy implies reducing waste to a minimum as well as **re-using**, **repairing**, **refurbishing** and **recycling** existing materials and products.

The Controlled (Waste) Regulations 2012

The Controlled (Waste) Regulations 2012 allows the Council to make a reasonable charge for the collection of items that may be considered large and impractical to place in a 140 litre household waste bin or for any resident to undertake transport and disposal themselves.

Environmental Protection Act 1990 Specifies all waste collected by Waste Collection Authorities under s45 (1) and s46 which gives Councils the authority to stipulate the bin size and frequency of collection.

Wards affected: All Wards

Contact: John McArthur 01403 739388.

Background Information

1 Introduction and Background

The Council is obliged under Section 45 of the Environmental Protection Act 1990 (EPA 1990) to collect Household waste. Under the Controlled Waste Regulations 2012, the Council can apply a reasonable charge for collecting items that are either in excess of 25kgs or of an irregular shape or size which cannot be contained in the standard 140 litre residual waste bin. This service is commonly described as a Bulky Waste collection Service.

The Council is required to provide a Bulky Waste service to its residents by way of statutory obligation under s45 of the EPA 1990. The Controlled Waste Regulations 2012 allows a reasonable charge to be levied for provision of this service enabling residents to dispose of large items of furniture and white goods that might otherwise be deemed too large to fit in the standard 140 litre residual waste container or to transport to the nearest Household Waste and Recycling Site (HWRS). In order to comply with the circular economy package and waste hierarchy, it is good practice to reuse some of the materials being disposed of by residents where there is value in doing so. The Council has enjoyed a successful partnership with Horsham Matters. Since 2015 service operating costs have risen and therefore the Council needs to reflect this by way of revised collection charges in order to provide a sustainable collections model.

- 1.1 In 2014, the Council asked for expressions of interest from charities operating within the district to run the Bulky Waste and Re-use programme. Given the lack of interest expressed by nationally established charities operating in the district and with only one bid, the Council agreed to a trial with Horsham Matters which after a 6 month period was consolidated by way of a 4 year contract which ended on 31 March 2019.
- 1.2 Given the need to review the contract specification, a procurement exemption has been approved for a period of one year giving the Council the opportunity to work with Horsham Matters to review how the service can be delivered more efficiently and to develop a financially sustainable contract. Our internal review will also look at future improvements to modernise and make it more customer focused. This will review options for online booking, more efficient routes and confirmation of pick up by text and / or email.
- 1.3 By doing this, the Council can fulfil the requirement to provide a Bulky Waste disposal service, ensure some reuse of items otherwise destined for disposal and support families that may be in lower income brackets or in receipt of housing benefit by making second hand furniture and white goods available for reuse at low cost.
- 1.4 The Council will make a payment to Horsham Matters for each item that they collect, which will allow the charity to continue to provide support to groups who are considered as vulnerable within the community whilst the Council reviews the service delivery model.
- 1.5 The provision of a bulky waste service also helps reduce fly tipping and although this is a paid for the service, the charges are not considered unreasonable. They also compare favourable when benchmarked against neighbouring authorities. Where incidents of fly tipping have increased in the district, evidence would suggest these are in relation to commercial waste rather than domestic waste. The Council has also taken a robust to targeting this blight by employing an enforcement officer and

deploying covert CCTV where required. This approach is starting to generate results.

2 Relevant Council policy

- 2.1 The Council has a duty to provide this service in its basic form as a collection arrangement. However given that Horsham District Council has statutory recycling targets to consider, a reuse and recycling programme overlaps with the Council's general environmental policies as well. The Council's corporate plan includes reference to environmental targets and the need to create clean spaces.
- 2.2 The Council also supports vulnerable groups through its work with local charities such as Horsham Matters. In addition, the charity support programme creates employment for Horsham Matters some of whom are ex - services personnel which is a desirable outcome within corporate policy.

3 Details

- 3.1 The Council is responsible for delivering a Bulky Waste service to residents as a basic service model. The provision of service attracts a charge for collection of any items. The service delivery model and associated cost to the Council to provide the service has not been reviewed for a number of years. At present Horsham District Council offers a service with charges that do not cover costs and are low compared with other neighbouring authorities. The recommendations with regard to service charges will allow the Council to provide a sustainable service based on the actual costs associated with service provision as a whole. The charge for service should be reasonable.
- 3.2 The current charge for service for a single item is set at £17 with second and subsequent items charges at £12 per item. If residents have reached state pension age with full benefits then the service is free of charge or for those who receive benefits then a 65% reduction is applied.
- 3.3 In order to cover costs, the recommendations raise charges for a single item to £20 and any second and subsequent items to £14 per item in order to run a sustainable collections model.
- 3.4 For those receiving benefits, a reasonable discount is set at 50% and those who are of state pension age and on benefits, the free service would remain unchanged.

4 Next Steps

- 4.1 The Council has started the service review which will continue examining how the service can be improved in terms of efficiency and customer experience at the same time providing the statutory function required in law.
- 4.2 A Cabinet report will be drafted to outline any proposal related to the tendering a new contract once a revised contract specification has been drawn up.

5 Views of the Policy Development Advisory Group and Outcome of Consultations

- 5.1 The Cabinet paper was reviewed by the Senior Leadership Team (insert date) 2019 who agreed the temporary provision for a period of a year. The **Policy Development Advisory Group** ('PDAG') supported the proposal to increase charges.
- 5.2 The Councils Monitoring Officer and the Director of Corporate Resources have both been consulted to ensure legal and financial probity.

6 Other Courses of Action Considered but Rejected

- 6.1 No increase in price could be applied. However, this would not result in a sustainable collections service.
- 6.2 The prices could be raised higher than the current proposals to ensure that the service breaks even. This has been rejected as the prices charged have to be considered reasonable.

7 Resource Consequences

- 7.1 The revised charges are set out in Appendix A which will allow the Council to provide a sustainable collections, re-use and recycling model for bulky waste. Comparisons with other authorities are set out in Appendix B. Further Appendix C (exempted available upon request)
- 7.2 The Director of Corporate Resources has been consulted.

8 Legal Consequences

- 8.1 The Council has a duty to collect household waste described in Section 45 of the EPA 1990 to include items over 25kgs as well as odd sized items that cannot fit in the standard 140 litre wheeled bin under the Controlled Waste Regulations 2012.

9 Other Considerations

- 9.1 The change to the fees has taken into account Human Rights, Equality & Diversity and sustainability. An Equalities Impact Assessment has been completed.
- 9.2 The proposal allows a more sustainable financial model to be developed which promotes the work undertaken by HM who provide shelter for the homeless, provide food banks and are a key partner for the Council assisting vulnerable people.

Bulky Waste Collections

Appendix A

Number of Items	Current Price	New Proposed price as of 1 September 2019
1st Item	£17.00	£20.00
2nd or more items (per item)	£12.00	£14.00

Criteria Applied	Receiving Benefits - 65% Discount Receiving Benefits/ State Pension Age
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Year	Total requests for service	Benefits 65% discount	Benefits /State Pension Age (Free Collection)
2017-18	2,116	206	275
2018 -19	2,389	177	241

Bookings for 2018/19 as a whole of risen by 11.4 % from 2,116 to 2,389 which may be partly down to the restricted hours of operation at the West Sussex County Council run Household Waste Recycling Sites . The number of requests for service fluctuates year on year and it is difficult to attribute any particular reason for the variations. In 2016/17 the number of requests for service totalled 2,400.

Cost vs Income & Benefits Discount	Actual costs including contract payments 2018/19	Income 2018/19	Net Balance
	£48,120	(£ 47,000)	£1,120
Estimated costs including contract payments 2019/20	Estimated income 2019/20	Net Balance	
	£61,000	(£63,900)	(£2,900)
Item	Benefit Discount 65%- current charge	Benefit Discount 50% - new charge	Differential
Single Item	£5.95	£10	£4.05
2 nd Item	£4.20	£ 7	£2.80

Appendix B

Authority Name	Type of collection	Price
Mid Sussex District Council	Large item	£20.00
	Small Item	£10.00
	Large Electrical	£25.00
	Small Electrical	£15.00
	Benefits	50% discount
Chichester District Council	1st Item	£27.00
	Additional items (per item)	£16.00
Adur & Worthing Council	Category 1 (up to 3 Items)	£44.00
	Category 2 (up to 6 Items)	£72.00
	Category 3 (up to 12 Items)	£115.00
Arun District Council	Standard price list	Range from £26- £53.50 per item
	OAP price list	Range from £18.50- £35.00 per item
Crawley Borough Council	All items	From £26.60
	White goods	From £29.40
	Benefits	1 free collection p.a up to maximum amount of £42.20