



**Scrutiny Committee**  
6 January 2016

**Report from Chief Operating Officer**

For Information

**Report for Scrutiny on Review of Changes to Recycling and Green Waste Collections**

**1.0 Summary**

1.1 At its meeting on 21 July 2014 Cabinet agreed to make changes to the recycling and green waste collection service, as follows:

- Increasing the frequency of the dry recycling service to a weekly service;
- Extending the separate food waste collection service to all street level properties;
- Introducing a chargeable garden waste collection service as the means of facilitating these improvements

1.2 This decision was called in for consideration by the Scrutiny Committee on Wednesday 6 August 2014 in accordance with Standing Orders. Among the issues discussed at that meeting were:

- Whether the new arrangements represented value for money for the council and met the needs of the borough.
- Why additional options, such as the sale of biodegradable bags for green waste, would not be offered under the new arrangements.
- The anticipated affect of the proposals on issues such as fly tipping and improper waste disposal.

1.3 At the meeting, Scrutiny Committee resolved that a review of the garden waste service should be held following a period of 9 months. This report presents that review.

**2.0 Recommendation**

2.1 That Scrutiny Committee note the contents of this review of the garden waste service changes.

### **3.0 Detail**

- 3.1 The decision to introduce an 'opt in' chargeable garden waste service was made as part of a package of changes, including increasing the frequency of the dry recycling service and extending the coverage of the separate weekly food waste collection service to all street level properties.
- 3.2 It was anticipated that these changes, which were introduced from March 2015, would achieve the following outcomes:
- Deliver £378,000 financial savings
  - Improve and extend the council's recycling offer
  - Reduce the amount of waste generated overall
  - Better comply with the national waste hierarchy

### **4.0 Review of Service Launch**

- 4.1 Communications setting out how to sign up to the garden waste service were provided to residents from December 2014, using a wide range of methods to ensure the message was clearly conveyed to all existing users and prospective customers. All of this information confirmed that from February 2015, residents would be able to sign up to the new service.
- 4.2 In response to this promotion, a large volume of residents made contact wishing to sign up for the service.
- 4.3 Initially, some technical issues were encountered with the payment system, meaning that residents were unable to make payment and were instead required to send an e-mail registering their interest for the first few weeks in February. The Council's customer services team greatly assisted Veolia in managing demand for the service at this time. Once the payment system was working effectively towards the end of February, all residents who had registered an interest were contacted by Veolia to sign them up to the service.
- 4.4 Demand for the service was so great at times, with up to 250 residents calling each day, that additional staff were provided by Veolia to manage the call volumes; and again, assistance was provided by the council's customer service team to ensure customers received the best level of customer service possible.
- 4.5 In general residents understood the rationale behind the Council moving to a chargeable garden waste service; especially when advised that the payment was enabling the provision of an improved weekly recycling service and separate weekly food waste collection.
- 4.6 The transition was initially difficult for residents who were used to the free provision of degradable sacks; particularly for the disposal of leaves from council trees. However, clear communications to residents about alternative methods of disposal; such as composting, seems to have reduced enquiries regarding this aspect of the service to only a handful this autumn.
- 4.7 As with any new service, there was a higher than average number of reports of missed collections of the garden waste service in the initial period from April 2015. As the number of residents signing up to the service increased greatly, by June, the number of missed collections being reported had also increased. This was effectively managed by reviewing the number of missed collections on a daily basis and identifying the main reasons for a missed collection. Many residents did not understand that it could take up to 14 days

following their initial request for their first garden waste collection to take place, and so if their neighbours bin had been collected, would report a missed collection. Also, as no collection calendars were provided, some residents missed their day of collection. This lesson has been learnt, and it is proposed that for 2016, garden waste collection calendars will be provided to all residents who sign up.

- 4.8 The final challenge encountered with the launch of the service, was the management of the garden waste bins; and in particular the removal of bins from residents who had chosen not to sign up the service. Around 45,000 bins were removed from residents during June and July 2015. Whilst clear information was provided to the collection team responsible for the removal of the bins, in some instances, bins were removed from residents who had in fact signed up to the service. Where this happened, bins were returned to residents as quickly as possible and garden waste permitted to be placed for collection in alternate containers in the interim. This issue inevitably increased the volume of customer contact to the contact centre during these months to over 600 calls per day.
- 4.9 Despite these initial teething problems, the service soon settled down, and has, for the past 6-months been running very successfully, with very few operational issues.

## **5.0 Take-up of the garden waste service**

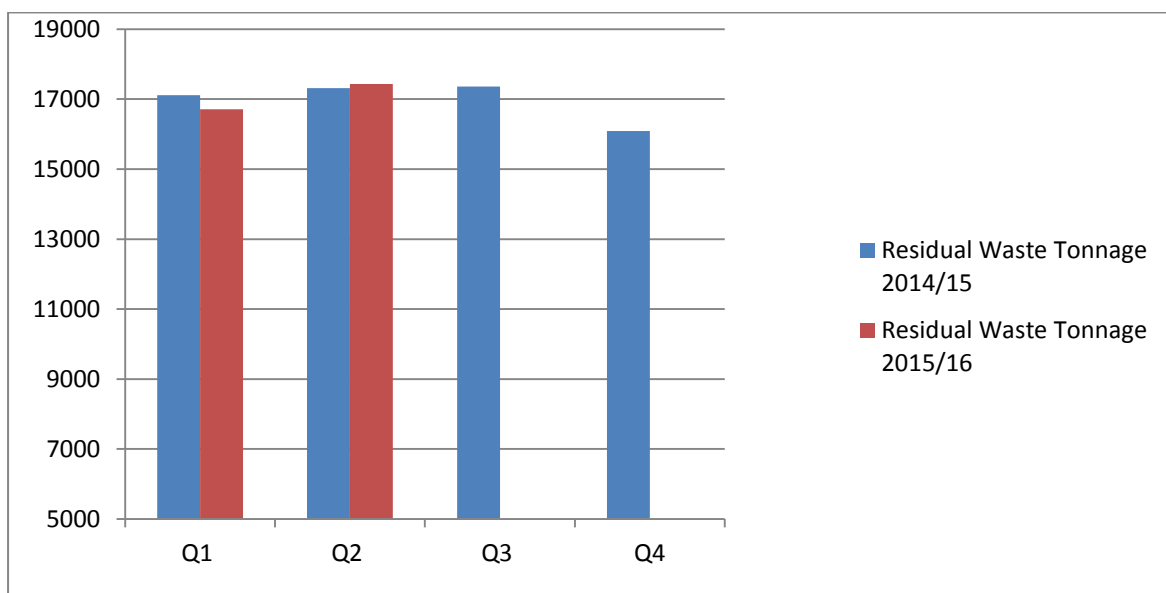
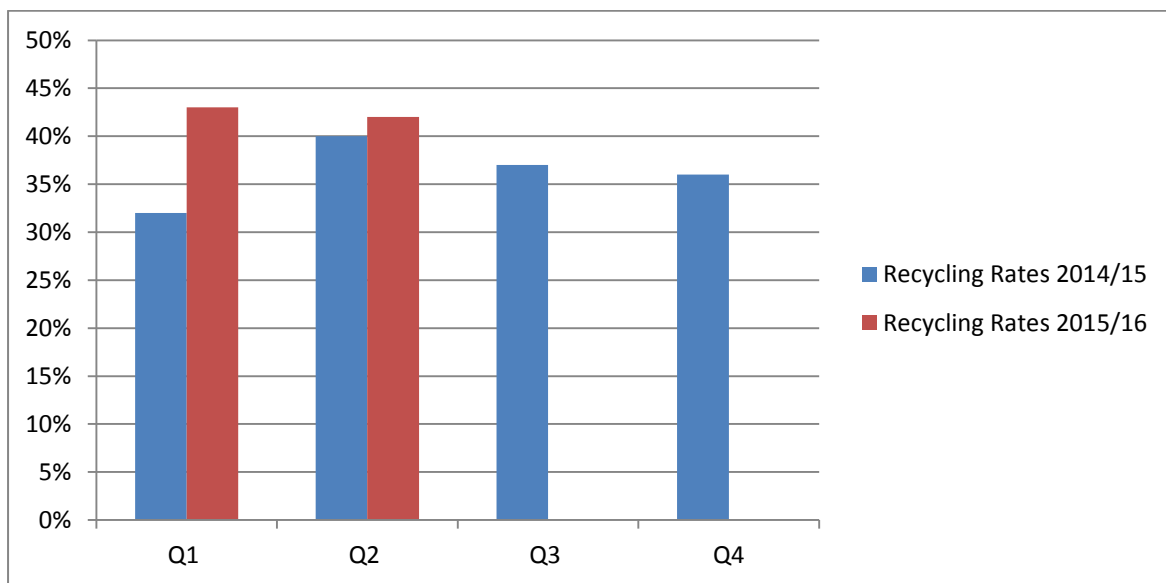
- 5.1 The business case for the introduction of a chargeable, 'opt-in' garden waste service was built on the assumption that 17,000 households would subscribe to the new service. This assumption was based on the experience of other similar boroughs, introducing a similar, chargeable service using wheelie-bins.
- 5.2 This figure has in fact been exceeded by nearly 3,000, with the customer base currently standing at nearly 20,000 subscribers.
- 5.3 The fact that original projections have been exceeded demonstrates that residents value the service, and are prepared to pay a modest annual sum (equating to under £2 per collection) for it.

## **6.0 Impact on Waste Tonnages and Recycling**

- 6.1 It was anticipated that the service changes would see the amount of green waste collected from the kerbside reduce by 43% by weight, and that of that 43% reduction:
- 40% would divert to home composting;
  - 25% would divert to the Recycling Centre, and;
  - 35% would no longer be produced.
- 6.2 It was also anticipated that the changes would have no significant impact on the council's recycling rate. This was because it was predicted that the amount of dry recycling collected by the weekly service would remain the same and, whilst the amount of collected organic waste would reduce, it would be mainly displaced to home composting or to the council's Recycling Centre at Abbey Road.
- 6.3 The table overleaf compares actual tonnage of organic waste collected via the kerbside, and via the Recycling Centre for the period April to October in both 2014/15 and in 2015/16. This shows that there has been an overall reduction in organic waste collected from the kerbside of 31% and that approximately 5% of that reduction has been diverted to the Recycling Centre.

	Organic waste collected (tonnes)		
	Kerbside	Recycling Centre	Total
2014/15 (Apr to Oct)	11,168	257	11,425
2015/16 (Apr-Oct)	7,758	419	8,177
Change	-3,410	162	-3,248
% change	-31%	63%	-28%

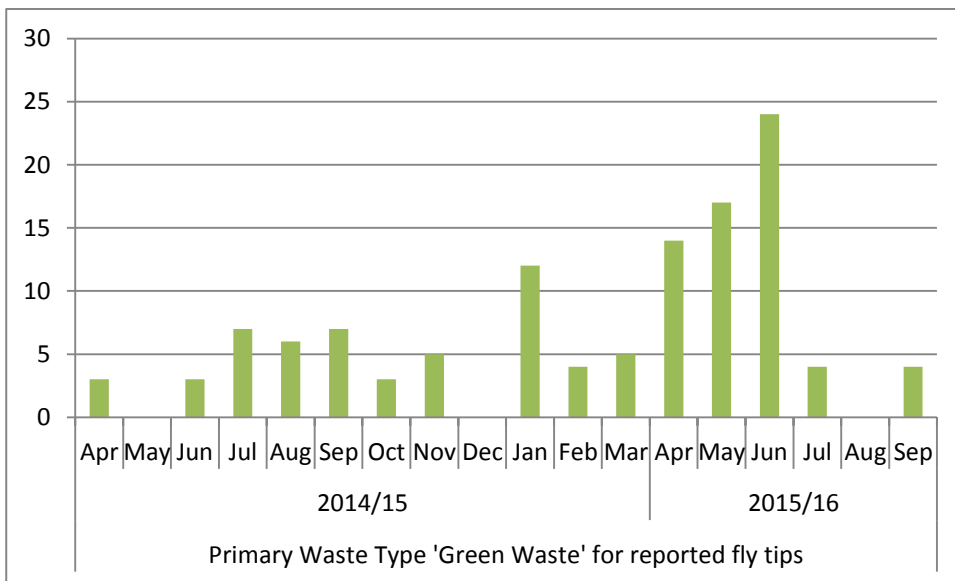
6.4 The following graphs compare residual waste tonnages and recycling rates since the beginning of 2014/15. These show that the service changes appear to have had a positive impact on the borough's recycling rate, and have had no noticeable impact on residual waste tonnages.



- 6.5 This data, combined with inspection data from the collection crews confirms that there has been no noticeable increase in garden waste being inappropriately disposed of as residual waste.
- 6.6 It would appear therefore that the vast majority of the garden waste that is not being collected through the kerbside scheme or at the Recycling Centre is either no longer being produced, or being displaced to home composting. Indeed, it is worth noting that over 80 compost bins have been purchased by Brent residents since April 2015.

**7.0 Impact on fly tipping**

- 7.1 When considering these proposals, Scrutiny Committee expressed some concerns that the introduction of a chargeable service might result in an increase in incidents of fly-tipped garden waste, and an increase in green waste being improperly disposed- of in residual waste and recycling bins.
- 7.2 Information is routinely gathered on the 'primary waste type' of fly tips, for use in performance reporting to central government, and within this data is a 'green waste' category, which is used where green waste was the largest component of a given fly-tip.
- 7.3 The graph below shows the number of fly tips attributed to garden waste over the past six reporting periods (18 months), to April 2014,



- 7.4 From this data, it appears that there was a notable increase in garden waste-related fly tips in the period immediately following the introduction of the new service (April, May and June 2015); but that there has been a subsequent drop in Quarter 2, to below last year's levels.
- 7.5 It is important to note that even the highest figure above (which took place in June 2015) is still less than 1% of all fly tips reported. However, Officers will continue to monitor these figures going forward, as a key indicator of the impact of the new service.

**8.0 Lessons Learned**

- 8.1 In terms of subscription numbers, the service has clearly been a significant success, as the target customer base was exceeded by some margin. The service also achieved the desired aim of reducing the volume of organic waste in the waste stream, and facilitated the roll-out of weekly dry recycling and food waste collections.
- 8.2 Furthermore, whilst there was an initial, small spike in green waste fly tips following the introduction of the new service, this appears to have been a short-term issue, with numbers now reverting to pre-launch levels.
- 8.3 The roll-out was not without its challenges however, and it is important to identify any lessons learned and consider what we would do differently if and when a future service change is implemented. The following table sets out the key lessons learned, and resultant proposals for the future.

<b>Issue</b>	<b>Proposals for the future</b>
Technical issues with payment system meant that residents were unable to make payment and were instead required to send an e-mail registering their interest for the first few weeks in February.	Ensure more thorough testing of all back-office systems prior to service launch to minimise the risk of problems occurring once the service is 'live'
Demand on Veolia's call centre was significant during sign-up and change-over of service, meaning long call waiting times and significant pressure on LBB's contact centre.	Garden Waste customer service to transfer to LBB for the 2016/17 sign-up period to provide greater capacity and resilience. Work towards establishing Direct Debit option as an alternative payment option as soon as possible. Consider options to re-profile renewals going forward so that in future, there is an even annual profile, and not a significant spike in spring. More generally, ensure adequate contingency arrangements are in place to deal with unexpected customer service demand when a service change take place.
Incorrect removal of bins from residents who had subscribed to the service causing significant volumes of calls and avoidable return delivery trips	Closer working between LBB and Veolia to ensure databases are properly updated in a timely manner, and that delivery crews are adequately supported with real-time information.
As no collection calendars were provided, some residents missed their day of collection, resulting in a level of frustration among customers, and an avoidable contact with the customer services team.	For 2016, garden waste collection calendars will be provided to all residents who sign up.  More generally, make better use of proactive communication and customer information to avoid unnecessary responsive information requests.

## 9.0 Proposals for the 2016/17 renewal process

- 9.1 Plans are currently underway to move the management of the 2016/17 renewal process to the council's customer contact centre from January.
- 9.2 Work has been undertaken by Veolia's technical team to ensure that residents who are already signed up to the garden waste service can renew easily from January 2016; and the customer service team will start proactively calling current customers from early January, with the intention of ensuring the number of customers re-joining the service is maximised.
- 9.3 Residents who are new to the service will of course require a bin to be delivered to them before they can start using the service from April 2016, and Veolia are prepared for this
- 9.4 No residents will be able to sign up to the remaining three months of the 2015/16 garden waste service from January. They will only be able to sign up for the new service in 2016/17. If, however a resident is new to the borough and requires a clearance of some garden waste, a one of collection will be provided as long as they sign up for the full 2016/17 service.
- 9.5 It is proposed for the 2016/17 financial year to maintain the cost of the garden waste service at £40. The main difference however, is that there will no pro-rata reduction in cost per month and instead the cost will remain at £40 for most of the year and reduce to £20 for anyone signing up from the 1st October 2016. The 20 percent discount for all residents in receipt of income-related benefits remains.
- 9.6 Looking longer term, it is intended to work towards offering customers the option to pay via Direct Debit from April 2017, which, it is hoped, will both improve the customer experience, and reduce the currently significant administrative task of taking annual renewal payments.

## **10.0 Financial Implications**

- 10.1 As mentioned previously, the service changes that were made in March 2015 were expected to deliver a saving to the Council of approximately £378,000.
- 10.2 In the Cabinet report, the financial implications were set out as follows:
 

“Veolia will be responsible for collecting the service charge from customers and will pass on all income received from customers to the council and make up any difference fully to a guaranteed annual amount offered of £400,000. Veolia will also pass to the council any income collected over and above £400,000. If the full cost of the service in any Contract Year is significantly greater than expected and if the Contractor reasonably believes that such variance is resulting in the Contractor being obliged to pass on income to the Council over and above that which it is receiving from customers, such variance shall be subject to the agreement of the Parties (acting reasonably)”.
- 10.3 Due to the strong take-up of the service, income in the first year has already exceeded the £400,000 threshold.
- 10.4 Of course, the fact that customer numbers are significantly higher than expected means that it has been necessary to deploy an additional vehicle and crew to properly deliver the service. Having paid for this additional resource, the net benefit to the Council in 2015/16 is just over £480,000; which is £80,000 more than the aforementioned guaranteed minimum payment from Veolia.

**11.0 Legal Implications**

11.1 None

**12.0 Diversity Implications**

12.1 None

**Background Papers**

None

**Contact Officers**

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