



Scrutiny board
16th September 2019

ITEM 5

Report sponsor: Richard Antcliff, Director of
Public Protection and Streetpride
Report author: Simon Aitken, Head of Service

Garden and Food Recycling Project - Update

Purpose

- 1.1 To update Scrutiny board on the new Garden and Food Recycling Project, including the current financial position.

Supporting information

2.1 Project Overview

The service was initially asked to provide costings per year for implementing free brown bin collections based on an uptake of 75% of households in Derby. Derby currently has around 107,000 properties so 75% equates to 80,250 households. Looking at the previous free service this seemed a reasonable assumption.

The scheme was drawn up, within the costed financial envelope, and approved by Cabinet in November 2019 with an agreed implementation over two phases:

- Phase 1 from April 2019 which is for households registering by 1 March 2019 who still had a brown bin
- Phase 2 from August 2019 which is for households registering by 1 March 2019 but needed a new brown bin

2.2 Estimated Costs

The costs included in the Cabinet report were based on 80,000 households signing up and the resulting diversion of garden waste from black bins to brown bins – this included part year diversion in year 1 (2019/20), with further diversion in year 2 (2020/21). The challenges in assessing the costs were the confidence in the level of take up and associated diversion. There was no information about the number of households that still had a brown bin from the previous free scheme and no data about the number of new bins that would be required, depending on the level of take up. However, based on the information available, discussions and the assumptions made costs were estimated as follows:

Revenue:

Service pressure of £774,000 in year 1 (2019/20) reducing to £590,000 in year 2 (2020/21) and in subsequent years. This is based on projected reduction in residual

waste disposal costs due to diversion of garden waste from black to brown bins.

Capital:

£740,000 was allocated to provide new brown bins to households and £1,360,000 to procure additional collection vehicles.

2.3 Current Position

Phase one:

Was delivered on time with the new service starting from 1 April 2019.

Phase two:

The service began from May for some households, as through negotiations with the supplier, new bins started to be delivered to some properties (from 20 May 2019). All bins requested by the deadline date of 1 March 2019 were delivered by end of July for implementation by 1 August 2019.

The scheme is still being promoted by the council and households are still registering for this service; bins are being delivered as quickly as possible.

The waste service is currently working to increase the staff levels within the service to undertake the collection duties with a number of people joining the team, undertaking HGV training for existing staff and utilising the agency to cover any peaks.

2.4 Budget Forecast

Revenue:

Based on the current level of signups for the service, of 55,284 households, the project is facing additional costs of £332,304 in 2019/20 and a further £59,034 in 2020/21 and subsequent years. Any customers registering before the end of April who still had a bin have been assumed as a full year diversion and anybody who has joined past this date are assumed as a part year diversion. Securing greater take up will reduce the additional costs. The project team is continuing efforts to encourage more households to sign up.

These costs are based on estimated reductions in disposal costs from diverting garden waste from the black bin to the brown bin based on the current take up of the service. More households joining the scheme will increase diversion from black bins to brown bins which will reduce these additional costs further.

We are looking to carry out an in-depth analysis of the tonnages at 6 months to see the effect of this project on the residual waste stream.

Capital:

Capital costs were allocated for the purchase of new bins and vehicles. Whilst sign up

is lower than expected the service are looking to maximise sign up and this will require the full capital budget allocated for the purchase of bins.

Remedial Work and Options

To reduce the current projected additional costs on this project it is important to further drive the number of households who are participating in the scheme, to do this the service and project team are working on the following:

- Implementation of the next phase of the intelligence led, targeted communications and engagement strategy
- Move to communications using real life pictures and customer messages to make the project more real and accessible – encourage more sign ups
- Further bin tagging – black and brown bins – to encourage more sign ups
- Targeted door knocking, targeted social media, business and community engagement, community events
- A schedule of planned social media updates has been produced.
- Interview opportunities have been arranged with local press and radio.
- Looking at options to ban the garden waste from being disposed of within the black bin stream
- Exploring potential to issue brown bins in targeted areas, based on information and intelligence

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal		
Finance	Russ Sexton	
Service Director(s)		
Report sponsor	Richard Antcliff	
Other(s)		

Background papers:
List of appendices: