

Ref No:

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PENDLE BOROUGH COUNCIL
2021/22 GENERAL FUND REVENUE BUDGET – CHARGING PROPOSAL

1. SERVICE	Environmental Services
2. IMPLEMENTATION DATE:	1 st January, 2021
3. CORPORATE PRIORITY	Working with partners and the community to sustain services of good value Maintaining a sustainable, resilient and efficient organisation
4. TITLE OF PROPOSAL	Introduction of a stepped charging mechanism for bulky household waste collections

5. BRIEF DESCRIPTION OF PROPOSAL:									
<i>Bulky household waste collection – Charge £13.50</i>									
The Council returned to providing a free collection for bulky household waste items from 1 st March 2020 following the Special Budget Council Meeting 27 th February, 2020.									
The Council has retained its calendar booking system which provides a set number of collection slots each day resulting in potentially 330 bulkies being collected each week.									
Since the re-introduction of the free collection of bulky household waste, there has been an increase in demand from an average of 110 requests per week to 330 requests per week. This has resulted in an additional cost of £88,000 pa which has <u>not</u> been built into the balanced budget for 2020/21.									
It is worth noting that of the 12 districts and 2 unitary Authorities in Lancashire, Pendle and Hyndburn are the only ones providing this service for free. All the others charge per collection.									
To sustain the delivery of critical frontline services, mitigate the additional collection costs and promote recycle, re-use and reduce policy to avoid waste going to landfill, it is now proposed to re-introduce a charging mechanism for bulky household waste collections as follows:									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Number of items</th> <th style="width: 50%;">Charge</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1 – 4 items</td> <td style="text-align: center;">£13.50</td> </tr> <tr> <td style="text-align: center;">5 – 8 items</td> <td style="text-align: center;">£27.00</td> </tr> <tr> <td style="text-align: center;">9 – 12 items</td> <td style="text-align: center;">£40.50</td> </tr> </tbody> </table>	Number of items	Charge	1 – 4 items	£13.50	5 – 8 items	£27.00	9 – 12 items	£40.50	
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It is anticipated that the impact of re-introducing a charge for the collection service will significantly reduce demand and therefore income forecasts are based on the level of collections completed in the period when the Council previously charged for the service.									
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Cost of Free Collections (Ave 330 pw)	£130,000
Income from Collections (Ave 110 pw)	£76,000
Less Cost of Chargeable Collections (Ave 110 pw)	£44,000
Net Income	£32,000
Saving	£162,000

As the cost of collection budget was not increased as a growth item to take into account the re-introduction of the free collections, the reduction in budget would be :

Net Income as above	£32,000
Cost of Collection budget 2020/21	£55,100
Net reduction in budget	£87,100

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2021/22 £	2022/23 £	2023/24 £
Revenue	87,100	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

A charge of £13.50 would help reduce the Council's costs of the service.

The underlying intention is to reduce net expenditure and encourage residents to have more consideration for the environment when household goods become unwanted. The introduction of the charges may increase re-use of used household products

The introduction of the charge and subsequent drop in anticipated demand would reduce the amount of waste being sent for disposal and into landfill. From a sustainability viewpoint it is expected that requests for collections will reduce which would promote the reuse and recycle policy.

It is estimated that the introduction of such a charge would generate net additional income of £32,000 per annum, taking into account the likely reduction in demand.

The reason put forward by Members for the removal of the charge for bulky household collections was that it would help in the reduction of flytipping incidents.

Records show however that flytipping has increased following the re-introduction of the free collection service. Before there was a weekly average of 6.85 tonnes of flytipped waste collected. In comparison in June and July the average weekly tonnage for flytipped waste had increased to 16.34 tonnes.