

This Report will be made public on 15 March 2022

Report Number **C/21/90**

To: Cabinet
Date: 23 March 2022
Status: Non key decision
Responsible Officer: Ewan Green, Director of Place
Cabinet Member: Cllr Stuart Peall, Cabinet Member for Enforcement, Regulatory Services, Waste & Building Control

SUBJECT: BULKY WASTE COLLECTION REVIEW

SUMMARY: The report considers the options as set out in the agreed council motion 27/7/21 to revise the bulky waste charges to provide a free scheme to households in receipt of council tax support and other support schemes. The report considers the potential financial costs and what would be likely impact on fly-tipping.

REASONS FOR RECOMMENDATIONS:

It is not recommended that the options proposed are progressed due to projected cost of the changes and the risk that it may not result in any significant improvement in level of fly-tipping.

RECOMMENDATIONS:

1. To receive and note report C/21/90/
2. To not proceed with the options proposed in the motion.

1. BACKGROUND

1.1 The following report reviews the bulky waste service with reference to the council motion 21/7/21 (Item 19). The Corporate Plan Action Plan under Service Ambition 2: A Thriving Environment also includes the service action – Improve the District's Visual Amenity.

1.2 The motion noted the following points -

- That there were 1360 incidents of fly-tipping in the district in 2019/20
- That a charge on bulky waste collection is a barrier to some households disposing of their unwanted items by official means.
- That a significant amount of council resource is used to remove items from the kerbside.
- Areas that contain a higher number of low-income households such as parts of Folkestone and Romney Marsh, require more of that resource than other parts of the district.
- Many councils offer free collection slots during the year to low income households.
- Many councils offer discounted rates to low-income households.
- Many councils' websites include signposting on their bulky waste collection page to organisations such as the British Heart Foundation, to inform residents of other means to dispose of unwanted items

1.3 The council resolved to request that the cabinet consider a report that looks to address fly-tipping across the district by means of amending the Bulky Waste Collection Scheme. This report should consider a number of options weighed against allocation of resources.

These options should include:

- *A minimum of 1 free collection* per year for households in receipt of -
 - Council tax support
 - Housing benefit
 - Income related job seekers allowance
 - Pension credit (guaranteed rate)
 - Income support
 - Universal credit (the housing element)
- A reduced rate for additional collections (capped per year) for those in receipt of the support schemes listed previous.
- Improved signposting on the council website to other organisations that may be able to help residents remove unwanted household items.
- Consider the appropriateness of the current pricing structure of the bulky waste collection as compared to other neighbouring authorities.

1.4 This report in reviewing the options in the motion provides the following:

- A brief overview of the current bulky waste collection service.
- A financial review of the costs of the proposals identifying other cost factors that would also need to be considered if the options were progressed further.
- A review of what impact the proposals would have on fly-tipping locally with reference to the experience of other authorities.
- A review of the current bulky waste fee compared to other authorities nationally and locally.
- A summary of the conclusions reached and a final recommendation.

2. THE CURRENT SERVICE

2.1. The bulky waste service is delivered by Veolia as part of the overall Waste, Recycling and Street Cleansing Contract. The service is shared with Dover District Council (DDC) and is standalone service within the contract.

2.2. The annual combined cost of the service is £138,852 (21/22 Bill of Quantity Costs). This is based on an estimated 3522 combined collections per annum split DDC – 1768 collections and FHDC - 1754 collections. These figures were based on a three-year average for the period 2017-2020. The cost per collection is £39.42. The FHDC annual cost for the service is estimated based on 1754 collections at £ 69,142, which is then adjusted by the actual number of collections completed.

2.3. The service is delivered on the ground by a box van and crew who work 2 ½ days in the FHDC district and the other part of the week in the DDC district. From experience the number of daily collections that can be carried out by the crew ranges between 18 to 25 individual households depending on the size and number of items to be collected at each appointment. For example based on average figures from period 2017-20 from 1754 individual collections around 4390 separate items were collected.

2.4. Only domestic household bulky items can be collected (i.e. no commercial waste). All bulky items must be 1.8 metres (6 feet) long or less and should be able to be lifted by two people. Items are segregated at the waste transfer station and recycled. The council website explains what bulky items can be collected: -

- white goods, e.g. fridges, freezers (not commercial) and washing machines
- cookers, lawnmowers, bicycles, doors, exercise equipment
- furniture, including bed frames, mattresses, carpets
- TVs and small electrical items, microwaves, vacuum cleaners

2.5. The following items are excluded: -

- rubble, wood, building materials, black sacks of rubbish or garden waste
- solid metals, including cast iron and baths
- items containing glass
- mirrors
- sinks made of ceramic or metal

- hazardous materials e.g. asbestos
- 2.6. The standard fee charged is £30 (in 21/22) for a single item collection and £8 per additional item collected on the same visit. This will increase to £30.75 and £8.20 from the start of the next financial year
- 2.7. The annual income for the bulky waste service was £92,369 in 20/21 and estimated at £79,000 for this year.

3. FINANCIAL REVIEW

- 3.1. The motion requested that the option be considered of a minimum of one free collection per year for households in receipt of council tax benefit and/or other benefits. The motion further requested that there should be a reduced rate for additional collections (capped per year) for those in receipt of the support schemes listed previous.
- 3.2. The motion identified six types of benefits that would be eligible for a free bulky waste collection. Figures provided by Revenues & Benefits from October 2021 breakdown are as follows: -
- Council tax support (includes 9 x Second Adult Rebate aka 2AR) - 9884
 - Housing benefit - 4876
 - Income related job seekers allowance (from unique claims) - 158
 - Pension credit (guaranteed rate) (from unique claims) - 2178
 - Income support (from unique claims) - 375
 - Universal credit (the housing element) (from unique claims) - 2881
 - Income Related Employment Support Allowance (from unique claims) - 1652
 - **Unique claims (HB/CTR combined or HB only or CTR only or 2AR) - 10537**
- 3.3. It is not expressly stated in the motion but it is assumed that eligibility would be limited to a single collection regardless of the number of supports schemes an eligible person was receiving (i.e. if someone is in receipt of housing benefit and council tax reduction this counts as eligibility for a single free collection not two separate collections.) On this basis the final figures listed in bold 'Unique Claims' are a good indication of the eligibility base figure (10537) although it should be noted that these are based on our figures not DWP.
- 3.4. The following table shows the estimated costs of an expanded service.

Type of Collection	Number P/A	BoQ + 6%	Cost
Free Collection	10537	£ 41.78	£ 440,236
Reduced Rate Add	1500	£ 41.78	£ 62,670
Full Bulky Cost	1000	£ 41.78	£ 41,780
		Total	£ 544,686

- 3.5. The following table shows estimated incomes from the expanded service.

Type of Collection	Number P/A	Fees	Income
Free Collection	10537	£ -	£ -
Reduced Rate Add	1500	£ 15.00	£ 22,500
Full Bulky Cost	1000	£ 30.75	£ 30,750
Extra Items	2500	£ 8.20	£ 20,500
		Total	£ 73,750

3.6. The following cost/income assumptions have been made in calculating these figures: -

- **Contract Variation** - The Bill of Quantities figure for 21/22 has been uplifted by 6% contract inflation for future years and been used to provide a baseline total cost as if this was a simple increase in transacted volumes within existing service capacity. However, as this would be a major expansion of the waste service a separate contract variation would need to be negotiated.
- **Customer Demand** - As a cautionary approach the costs have been scaled on the basis of 100% eligible take up. There are several reasons for this. Predicting demand in advance with any degree of accuracy is difficult and the service would need to be scaled for high volumes otherwise it would run the reputational risk of either failing to deliver or insufficient booking slots. It is a reasonable to expect that many eligible household would use the convenience of a free service from their door step, over transporting items to the nearest HWRC. We would need to assume that even if an eligible resident did not want to directly use the service then they may book on behalf of a friend or neighbour. This would be difficult to control.
- **Reduced Rate Demand** - The reduced rate for additional collections is set at £15 (i.e. 50% current fee). The demand for this service had been estimated at 1500 requests per annum on the assumption that if the free service is fully utilised the demand for a reduced rate service would be relatively low.
- **Additional Items Charging** - No charge is made for additional items for either the free collections service or the reduced rate additional items service. The expectation is that there would be an agreed maximum number of items allowed with each booking.
- **Charged Service** - It is anticipated that the number of fully charged bulky waste collections would also decrease due to take up of the free collections. The number of fully charged collections has been reduced from around 1750 annually to 1000. It is also assumed that the current bulky waste charging criteria would remain unchanged with the £8.20 additional item charge remaining.

3.7. The additional cost of the expanded scheme based on the figures above would be £ 470,936. If this proposal was developed further there are other potentially significant cost factors that would need to be considered as outlined below: -

- **Demand Peaks** - It is difficult to predict how demand for the free collections service would change during the course of a year. We may find there are peak periods where additional resourcing would be needed. In the first few years there would be a degree of trial and error as the expanded service was rolled out and resourcing was matched to demand.
- **Collected Items Limits** - A key resourcing factor would be the limits imposed (if any) on the number of items that could be collected in a single booking or on the type of items collected. Councils that operate some form of free service still routinely impose item limits and often exclude items like electricals and electronics.
- **IT Costs** - No costs have been included for IT development to set up a booking system that need to integrate with the council tax system or possibly with the DWP to verify eligibility for the free collections. There would then need to be further development for the reduced rate additional collection booking system.

3.8. A summary of this section of the report: -

- A free bulky waste scheme based on the eligibility proposed in the motion would be a major expansion of the service.
- The financial cost based on the current bill of quantities would suggest an additional cost for an expanded service of around £500,000. A detailed discussion with the contractor would need to be undertaken to determine the best and most efficient way to deliver the service and the contract re-negotiated.
- There are additional financial costs related to IT development and service delivery that would need further investigation.

4. IMPACT ON FLY-TIPPING

4.1. The motion argues that bulky waste charges act as a barrier to low income households accessing the service, which in turn results in increased fly-tipping. Therefore, if the service is more accessible to low income households then fly-tipping would decrease improving the overall street environment and reducing the cost of removing fly-tipping.

4.2. In order to consider this further this part looks at trends in fly-tipping and the experience of other local authorities.

4.3. Table – FHDC Fly-tipping Statistics 2012-2021 (Waste Dataflow)

Year	Total	Household Incidents	HH% Total
2012-13	1008	577	57.2
2013-14	958	633	66.1

2014-15	1380	990	71.7
2015-16	1082	734	67.8
2016-17	1178	863	73.3
2017-18	746	544	72.9
2018-19	955	649	68.0
2019-20	1360	895	65.8
2020-21	1779	922	51.8

- 4.4. DEFRA reports that in 2021/21 local authorities in England dealt with 1.13 million fly-tipping incidents. This was a 16% increase from 2019/20. It is estimated that around 65% of the total was fly-tipped waste from households. The DEFRA data is taken from Waste Data Flow returns completed by individual authorities and presented with several caveats about the different ways authorities record the data and categorise incidents.
- 4.5. Locally, the percentage of household waste fly-tips at around 65% of the total is broadly in line with the national trend until last year. In 2020/21, more fly-tipping incidents were recorded within the district again in line with national trend, but the growth would appear to be driven by non-household waste (i.e. commercial waste).
- 4.6. Whilst the data does not give information about motivations for fly-tipping it is a reasonable conclusion that the increases last year were largely related to the national pandemic lockdowns including the temporary closure and restricted access to Household Waste Recycling Centres and with many businesses also stopping their commercial waste arrangements. Anecdotally, during the summer of 2020 and summer 2021 it was suspected that some local businesses were depositing their waste in street litter bins/bulk bins rather than immediately renewing their commercial waste collection arrangements, which the council responded to with regular 'Duty of Care' inspections of businesses for waste carrier arrangements. Financially, there is a greater individual cost to removing commercial related fly-tipping, particularly if hazardous material like asbestos.
- 4.7. Drawing conclusions from the data about motivations for fly-tipping is difficult. The National Fly-tipping Prevention Group suggests various motivations for fly-tipping including financial reward or financial saving, limited access to waste disposal facilities and laziness and an attitude that someone else will clear up the waste. A surveyⁱ in 2006 of householder motivations for fly-tipping identified access to waste disposal facilities, knowing where to go and home storage capacity as the main factors. The same survey found that only 7% of household respondents identified *council charge to pick up large items* as a factor with only 5% generally responding that the *cost of taking waste to a rubbish tip* as a factor.
- 4.8. We can also draw on the experiences of other councils on the effectiveness and impact of a free bulky waste service subject to eligibility.
- 4.9. Firstly, most free bulky waste schemes still apply restrictions on the number of items collected or on the type of items. This can result in the situation where low income households may not benefit from a free scheme because

the items they want collected are not covered, exceed the item limit or they have already used their free collection entitlement for the year. It also creates a dilemma for the collection authority when a household using the free scheme tries to dispose items not covered or more than allowed. Do they treat the additional items as fly-tipped waste or simply collect? This was our experience in 2014, when we undertook a small scale project along Dover Road, which resulted in far greater than anticipated tonnages.

4.10. Free bulky waste schemes require an exponential expansion of the bulky waste service to meet demand, increased waste and seasonal spikes. The experience from other authorities is that this is often achieved by using larger compaction general refuse vehicles and not providing a recycling option. For example the London Borough of Camden operates a free bulky waste scheme for eligible household similar to the one proposed by the motion uses compaction vehicles and collects this as general refuse. It is often the case that councils running free services are both the Waste Collection Authority and the Waste Disposal Authority. There would need to be consultation with KCC about disposal arrangement for an expanded bulky waste service particularly if the tonnages are presented as general refuse rather than recycling.

4.11. Finally, it is not clear to what extent (if at all) the introduction of a free scheme would lead to improvements in fly-tipping and the street environment. For example when the London Borough of Newham in 2020 withdrew their free bulky waste scheme after a year-long trial the report to their cabinet 18/2/20 concluded -

'The charge for bulky waste was removed in April 2019 following a motion to Council and as part of this proposal it was suggested that this would have a positive effect in reducing fly tipping numbers across the borough.'

Since the change came into effect, current fly tipping figures demonstrate there has been no change in the number of reported fly tips, in fact the number has risen slightly. We have also not seen any reduction in street cleansing waste tonnage (fly tip tonnage) since the service was made free.'

Keep Britain Tidy have separately studied the effects of the introduction of bulky waste charges across the UK and concluded that there is no robust evidence to suggest that introducing or removing a charge leads to increases or decreases in fly-tipping.'

Under the current free service bulky waste requests have increased by approximately 200% since April 2019 and this has significantly increased costs of delivering the service and the cost of waste disposal for the council. Local charities have reported a 50% reduction in items sent to them for re-use and this change in the way residents get rid of their unwanted items could be attributed to the free bulky waste service.'

4.12. A summary of this section of the report: -

- On average 65% of the district's fly-tipping incidents are household waste related.

- The main growth would appear to be related to commercial waste and this type of fly-tipping is often the mostly costly to resolve.
- It will be the case that of the household waste related incidents economic hardship or lack of access to transport will be a factor. It is not possible to estimate to what degree economic hardship is a factor, but the limited studies available would suggest it is not a main factor.
- Experiences from other councils are that free bulky schemes need to operate at scale, often with limited or no recycling options. The experiences of some councils is that free bulky schemes do not reduce fly-tipping. There would need to be consultation with KCC as the Waste Disposal Authority.

5. LOCAL AUTHORITY FEE COMPARISON

- 5.1. The motion requested that consideration was given to the ‘appropriateness of the current pricing structure of the bulky waste collection as compared to other neighbouring authorities.’
- 5.2. A survey in 2020 identified that in England the majority of local authorities offered a chargeable bulky waste collection service. At the time, seven local authorities offered a free service to all residents although one of these has since re-introduced charging. Four local authorities offered no bulky waste service. Nationally, bulky waste charges ranged from the highest at £114 to the lowest at £10. The FHDC fee of £30 compared well nationally and was in the lower half of the survey, although direct comparisons are difficult to make between authorities due to what bulky items each scheme collects and exempts, item limits imposed per collection and charges made for additional items.
- 5.3. The table below provides a comparison with neighbouring authorities.

Council	Fee 21/22	Terms & Additional Items
FHDC	£ 30.00	Cost 1 item - additional charge £8 per item up to 4 extra items.
Ashford	£ 26.00	Cost up to 4 items (1 whitegoods) - additional charge £26 for further four items
Dover	£ 45.00	Cost up to 3 items - additional charge £6 per extra item
Thanet	£ 26.00	Cost up to 5 items - £26 charge per fridge and freezer
Canterbury	£ 17.35	Cost per item or £33.40 per fridge, freezer and TV.
Rother	£ 40.00	Cost up to 3 items - £73 up to 6 items, £108 up to 9 items

- 5.4. The FHDC bulky waste charging compares well for a single item collection and that no extra charge is applied for fridges, freezers or TVs. It compares

less favourably in terms of the number of items that can be collected and the charges for additional items.

- 5.5. An interesting comparison can be drawn with DDC who operate under the same Bill of Quantities. DDC have charged at a higher level and each booking will cover the unit cost of the service (£39.42). FHDC charging is arguably more accessible but runs a greater financial risk of the service not covering its costs, which will depend on the number of extra items charged per booking.
- 5.6. Overall, the council's fees for its bulky waste service are appropriate for what the service costs and in comparison to other authorities. In future years the fee level will need to be reviewed depending on contract inflation and whether the combination of the single item fee and fee for extra items still adequately covers the cost of the service.
- 5.7. The motion also asked consideration be given to sign posting from the council website to other organisations that may be able to help residents remove unwanted household items. This can be added. Most councils that sign post to charity collections tend to limit to one or two links.

6. Conclusion

- 6.1. The introduction of a free bulky scheme based on the eligibility criteria proposed in the motion would lead to a major expansion of the bulky waste scheme to around 10,300 free collections per annum at an estimated financial cost of £471,000 for the operation and a yet to be determined cost to develop IT systems and staffing to transact the additional service requests. There is unlikely to be an appreciable financial saving resulting from any reduced levels of fly-tipping.
- 6.2. Although around 65% of all fly-tipping incidents are attributed to household waste, there is no firm evidence to suggest that bulky waste charges are a predominant factor. Evidence from other councils suggests that the introduction of a free bulky waste service does not result in reductions in fly-tipping. There is also the risk that the council service adversely impacts on other bulky waste services arranged through the charitable sector and other commercial providers.
- 6.3. The council is similar to the majority of local authorities in offering a charged bulky waste service. The council's charges, in comparison to neighbouring authorities, would appear to be appropriate; although the pricing structure will need to be reviewed in future years depending on the indexation applied to contract costs compared to the fees and charges and whether the collection fee and additional items charge still adequately covers the unit cost of each collection.
- 6.4. In order to develop the proposal further there would need to be detailed negotiation with Veolia on how the service would be delivered operationally and the cost and with KCC as the Waste Disposal Authority regarding potential impact on their facilities.

6.5. The recommendation to cabinet in consideration of the motion is not to proceed with this option due to the projected cost and the risk that it may not result in any significant improvement on the level of fly-tipping.

7. RISK MANAGEMENT ISSUES

7.1 The main risk issues as referred to in the main report.

Perceived risk	Seriousness	Likelihood	Preventative action
Financial – scaling the new free service to meet demand and the risk of increased tonnages.	High	Medium	Further development of any proposal to include input from Veolia, KCC, FHDC Customer Contact and FHDC Business Systems.
Environmental – the risk that in order to efficiently service the additional demand and tonnages the service requires to collect as general refuse and this impacts on recycling target.	High	High	Further development of any proposal to include input from Veolia and KCC as the Waste Disposal Authority.
Reputational – it would be a major expansion of the service with a number of financial and operational uncertainties that in reality are unlikely to be resolved until the new scheme had been operation for a few year. There is the risk the scheme does not deliver the	High	High	Further development of any proposal to include input from Veolia, KCC, FHDC Customer Contact and FHDC Business Systems.

expected improvements in fly tipping.			
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7. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

7.1 Legal Officer's Comments (NM)

There are no legal implications arising directly from this report

7.2 Finance Officer's Comments (RH)

The financial implications are considered within the body of the report. The current income budget is -£60,120. The net cost of offering an expanded service would be £471,000 as stated in section 3.7 – this is broken down in the tables featured in sections 3.4 (expenditure) and 3.5 (income).

7.3 Diversities and Equalities Implications (AR)

Introducing a free collection (subject to eligibility) would improve access to the bulky waste scheme.

7.4 Climate Change Implications (OF)

There are no Climate Implications arising from this report.

However, consideration should be given to potential increase in fly-tipping as this would probably result in a negative climate impact.

8. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting

Andrew Rush
 Chief Officer – Place & Regulatory Services
 Telephone: 01303 853271
 Email: andrew.rush@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

Fly-tipping: the illegal dumping of waste – House of Commons Library
 August 2021

Appendices:

None

ⁱ Jill Dando Institute of Crime Science University College London - Fly-tipping: Causes, Incentives and Solutions 2006