

## DECISION ITEM

| REPORT OF  | MEETING | DATE            | ITEM NO |
|--|---------|-----------------|---------|
| RESOURCES DIRECTORATE  | COUNCIL | 6 DECEMBER 2021 | 9       |
| <b>UNFUNDED REVENUE BUDGET INCREASE - BULKY WASTE COLLECTION SERVICE</b> |         |                 |         |

### PUBLIC ITEM

This item is for consideration in the public part of the meeting.

### SUMMARY

This report provides details of proposed bulky waste collection arrangements triggered by the closure of Refurb (BWC) and subsequent loss of the service which was subject of a full report to the Operational Management Committee at its meeting on 9<sup>th</sup> November 2021.

Collection of bulky waste falls within the council's general duty under section 45 of the Environmental Protection Act to arrange for the collection of household waste. For waste of larger dimensions, there is the ability to charge a reasonable amount for the collection service. As a result of the council's duty, and the loss of service due to the winding up of the previous contractor, a procurement exercise had been conducted to consider alternative service provision. Following this exercise, a proposal was submitted to the council from Furniture Matters which successfully operates this service for a number of other councils.

The report to the Operational Management Committee summarised this proposal and sought authority for a reoccurring funded budget increase in the sum of £27,122 which was supported.

### RECOMMENDATION

- (i) To approve an unfunded revenue budget increase in the sum of £27,122 per annum to meet the estimated financial shortfall in fulfilling the council's statutory obligation to provide residents with a bulky waste collection service.
- (ii) To approve the fees and charges for the bulky waste collection service for 2021/22 as set out within the body of this report.
- (iii) That a report be presented back to the Operational Management Committee following a period of three months of operation of the new contract to report on demand for the service, income generated and the potential to maximise income by a differential pricing option to take account of demand patterns.

### SUMMARY OF PREVIOUS DECISIONS

Operational Management Committee – [12 January 2021](#) – Item deferred.

Operational Management Committee – [HYPERLINK "https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1260/Committee/16/Default.aspx"](https://fylde.cmis.uk.com/fylde/MeetingsCalendar/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/1260/Committee/16/Default.aspx) [9 November 2021](#) – It was RESOLVED to recommend to Council the approval of an unfunded revenue budget increase in the sum of £27,122 per annum to meet the financial shortfall in fulfilling the Council's statutory obligation to provide residents with a bulky waste collection service.

## CORPORATE PRIORITIES

|  |   |
|--|---|
| Economy – To create a vibrant and healthy economy        | √ |
| Environment – To deliver services customers expect       | √ |
| Efficiency – By spending money in the most efficient way | √ |
| Tourism – To create a great place to live and visit      | √ |

### REPORT

1. Fylde Council previously contracted with Bulky Waste Collectors (Refurb) to collect, reuse and recycle large household items which could not be disposed of through the kerbside refuse and recycling service. This arrangement had been in place since 2012 and generated an income for the council.
2. Collection of bulky waste falls within the council's general duty under section 45 of the Environmental Protection Act 1990 to arrange for the collection of household waste. For waste for larger dimensions, there is the ability to charge a reasonable amount for the collection service. Customers were able to book collection slots for the removal of unwanted household furniture such as sofas, beds, and fridges freezers, at an agreed time from both inside and outside properties, for which charges were incurred.
3. In March 2020 Refurb announced that it was ceasing trading which resulted in the suspension of service until a suitable provider could be found. This coincided with the COVID pandemic that impacted on the commission of a new provider.
4. The service received high levels of customer satisfaction and was popular, between April 2019 and March 2020, Fylde residents made 1560 separate requests for the chargeable bulky waste collection service. This equates to 20 tonnes of household waste diverted from landfill and sent for reuse through the service.
5. The service has been suspended for over a year but there is still demand from evidence of enquiries made and the council has a statutory duty to ensure there are arrangements for the collection of household waste, including larger items. To put in place new arrangements to meet the demand and the statutory duty a tendering exercise was conducted which resulted in the selection of Furniture Matters.
6. Furniture Matters has been delivering bulky waste services since 2006 and is an established service provider already successfully operating this service for Blackpool, Lancaster and Wyre Councils. Furniture Matters are committed to reducing the environmental impact of waste by refurbishing collected waste where possible and offering low-cost quality furniture and white goods to the local community.
7. Because of the period without a service a new offer will have to be re-launched through a joint marketing campaign by Furniture Matters and the council, to re-connect with the market for this service. Only after this will it be possible to determine the demand for the service.
8. At the Operational Management Committee, a five day a week service delivery option was discussed at a charge to the council of £68,555 per annum, together with an outline of associated charges for the service as outlined below, with estimated income levels based on previous demand for the service, off-set against this. This resulted in an estimated budget shortfall of £27,122, the proposed charges are as follows:
  - *Up to 3 items £21.60*
  - *4-10 items £43.25*
  - *Over 10 items (charged per hour) £80.95*
  - *Collection of a single fridge or single freezer or single unit combined fridge/freezer £43.25*
  - *Garden shed (max size 6' x 6' / 1.83m x 1.83m) £49.50*
9. Following the Operational Management Committee, further discussion has taken place with the Director of Resources, in consultation with the Chairman of the Operational Management Committee, and it has been determined that an initial graduated launch of the service would minimise the council's exposure to financial

uncertainty until demand is re-established. The service will be launched initially on a three-day a week service pattern, at a reduced charge to the council of £49,289, off-set by income generated, to re-establish demand with a view to the service being broadened to a full five-day a week coverage should it prove to be successful. The three-day a week service pattern is as follows:

Week 1 - Monday, Wednesday & Friday, 9 a.m. to 5p.m.

Week 2 – Tuesday, Thursday & Saturday, 9 a.m. to 5p.m.

10. The service delivery pattern outlined in paragraph 11 has the advantage of providing a Saturday service on alternative weeks for those who might find a mid-week collection inconvenient. Once demand has been established and the popularity of various timeslots is known, differential pricing will be considered for the service similar to the private sector where a higher charge is made for more popular times i.e. weekends which may increase the income received to off-set the service cost.
11. The precise level of unfunded revenue budget increase will be known when the service delivery pattern is established based on demand and income levels can be more accurately estimated as a result. Based on current estimates from the previous service levels the council is requested to approve a reoccurring unfunded revenue budget increase in the sum of £27,122 per annum as presented to the Operational Management Committee at its meeting held on 9<sup>th</sup> November 2021.
12. An enquiry was raised at the Operational Management Committee about how performance would be measured for the contract with Furniture Matters, the proposed performance metrics are set out below:
  - *Number of collection trips*
  - *Number of items collected*
  - *Number of items reused*
  - *% of items reused*
  - *Number of items recycled*
  - *% items recycled*
  - *Number of items sent for landfill*
  - *% of items sent for landfill*
  - *Number of compliments received*
  - *Number of complaints received*
  - *Number of volunteers hours*
  - *Number of accidents / incidents*

| IMPLICATIONS                            |  |
|---|--|
| Finance                                 | This report recommends an unfunded, reoccurring increase in the sum of £27,122 per annum. It should be noted that this figure may be the subject of change as the eventual shortfall in required budget provision will only be fully understood after the service has been re-launched, and demand is fully assessed, together with income.                          |
| Legal                                   | Collection of bulky waste falls within the council’s general duty under section 45 of the Environmental Protection Act to arrange for the collection of household waste. The difference is that for waste with certain dimensions or larger, a reasonable charge for collection can be made and the duty arises only on request by the person controlling the waste. |
| Community Safety                        | No Community Safety implications arising from this report  |
| Human Rights and Equalities             | No Human Rights and Equalities implications arising from this report   |
| Sustainability and Environmental Impact | No Sustainability and Environmental Impact implications arising from this report   |
| Health & Safety and Risk Management     | No Health & Safety and Risk Management implications arising from this report   |

| LEAD AUTHOR   | CONTACT DETAILS  | DATE          |
|---------------|--|---------------|
| Tracy Manning | <a href="mailto:tracy.manning@fylde.gov.uk">tracy.manning@fylde.gov.uk</a> / Tel: 01253 658521 | November 2021 |

| BACKGROUND PAPERS |      |                                |
|-------------------|------|--------------------------------|
| Name of document  | Date | Where available for inspection |
| None              |      |                                |