

# Public Document Pack

## NORTH HERTFORDSHIRE DISTRICT COUNCIL

### OVERVIEW AND SCRUTINY COMMITTEE

TUESDAY, 21ST JANUARY, 2020

### SUPPLEMENTARY AGENDA

Please find attached supplementary papers relating to the above meeting, as follows:

**Agenda No    Item**

17.            **GARDEN WASTE SERVICE (Pages 3 - 12)**

REPORT OF THE SERVICE DIRECTOR – PLACE

To Consider the Report on Garden Waste Concessionary Charges.

Please find attached a revised report and appendix A

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**OVERVIEW AND SCRUTINY COMMITTEE  
21 JANUARY 2020**

**\*PART 1 – PUBLIC DOCUMENT**

**TITLE OF REPORT: GARDEN WASTE SERVICE**

REPORT OF THE SERVICE DIRECTOR - PLACE

EXECUTIVE MEMBER: EXECUTIVE MEMBER FOR RECYCLING & WASTE MANAGEMENT

COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT.  
BE A MORE WELCOMING AND INCLUSIVE COUNCIL

**1. EXECUTIVE SUMMARY**

1.1 To consider and agree the principle of implementing concessionary rates and reconsider implementation of direct debits for future garden waste charges commencing in 2020/21.

**2. RECOMMENDATIONS**

For Cabinet to consider and agree:-

- 2.1. the concessionary rates principles as proposed in para 8.2
- 2.2. to delegate the decision to the Service Director of Place, in consultation with the Executive Member for Recycling and Waste Management, whether the implementation of Direct Debits is practicable for August 2020

**3. REASONS FOR RECOMMENDATIONS**

3.1 To deliver objectives set out in the Councils plan and to implement the recommendations in 2020/21.

**4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1. Not to provide a concessionary rate payment system.
- 4.2. Not to provide a direct debit system

**5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS**

5.1. The Executive Member for Recycling and Waste and Political Liaison Board has been consulted.

## **6. FORWARD PLAN**

- 6.1 This report contains a recommendation on a Key Executive decision that was first notified to the public in the Forward Plan on the 1<sup>st</sup> November 2019.

## **7. BACKGROUND**

- 7.1. The Council want to provide an equitable and accessible garden waste service in the most efficient and effective way.
- 7.2. The Waste Contract does not currently include for the provision of administering concessionary rates for the garden waste service. Although included in the Contract as a payment method, Direct Debits have yet to be implemented.
- 7.3. The Council have approximately 55,000 households of which 90% are considered eligible for the garden waste service (properties with gardens). In 2018/19 approximately 29,000 households (58%) signed up to the service at a cost of £40. In 2019/20 at the time of writing this report there are currently 26,949 households signed up to the service.
- 7.4. Due to service disruption in 2018/19 the Council agreed a free three month extension to all subscribers of the garden waste service. This now means that the service year commences on the 1<sup>st</sup> August each year, there are no reductions for part year provision.
- 7.5. Our waste contractor, Urbaser, is responsible for the collection of the garden waste and for the management of the garden waste subscription service. Therefore any changes to the service need to be negotiated and agreed with the contractor in advance and will require an amendment to the Contract.
- 7.6. There has been historical disruption and poor levels of satisfaction with the sign up and renewal processes over the last two years. This has predominantly been due to the volume of resident contacts at the same time, which far exceed the telephone resources or web capacity. With additional problems relating to the use of mobile devices for payments. It is not possible to fully resource the volume of calls experienced in previous years, however an early renewal period and staggered contact with residents will help alleviate high call volumes.
- 7.7. The Contract relies on technology, primarily databases, which keep administration and management costs to a minimum. At the start of the Contract we implemented a new waste management system which caused some of the disruption experienced by residents due to lack of accurate historical collection data and other significant changes to services.
- 7.8. A third party company currently provides the web payment portal on behalf of Urbaser.

## 8. RELEVANT CONSIDERATIONS

8.1. With regard to implementing concessionary rates the following are the key considerations

- Agree concessionary rate principles as stated in 8.2
- Utilise the Council Tax Reduction Scheme as the evidence for eligibility for concessionary rates for garden waste. Any other process would be complicated, time consuming and costly. This is discussed further in para 8.7.
- The kiosk cash payment system is unable to be developed to accommodate concessionary payments these will therefore only be available through online and phone payment options.
- Any payment mechanism will need to provide a robust and secure process of transferring data from the Council Tax Reduction Scheme.
- The Contractor's current third party software provider who currently manage the web payment portal are unable to facilitate further changes to the payment system and therefore a new provider needs to be procured.
- It is not possible to make software changes to the Waste Management System to facilitate the taking of payments. The contractor and 'real world' customers will need to test the new payment system before going live. It is intended to fully test the system with a small number of households that are eligible for a concessionary rate from April 2020.
- It is anticipated that a special meeting of Cabinet will be required by no later than March if the concessionary charge is to be implemented in 2020. This is on the basis that there is still significant uncertainty surrounding practicalities and costs.

8.2. The following principles are proposed to be adopted as part of a concessionary rate

- a. 50% reduction in the standard rate, currently £40
- b. Concessions only apply to those households that receive Council Tax Reduction as stated in para 8.5 at the time of application and they be required to provide evidence of eligibility by providing a unique benefit reference number for the concessionary rate to be applied
- c. The unique reference number can only be used for one property annually, and for the property which the claimant is resident. Applicants will need to renew annually for concessionary rates as their personal circumstances may change during the year. A direct debit payment option will therefore not be available for these residents.

8.3. Officers would recommend that the new payment system is implemented from no later than April 2020, for the project to be successful. This is because there will be significant development changes required with third party providers to implement both the newly adopted Direct Debit and concessionary rate payments for garden waste.

8.4. Robust testing of the new system would be required and will include 'real world' testing with customers including customers applying for the concessionary rate. Any teething problems can be addressed quickly with a small number of customers.

- 8.5. The Council Tax Reduction Scheme for North Herts that is intended to be used to determine eligibility for the concessionary rates for garden waste is a means tested discount applied to Council Tax accounts for those on low incomes. The Scheme is closely aligned to Housing Benefit and is calculated taking the following into account:
- The amount of income of the claimant and partner, if applicable. This could be earned income from a job, or unearned income such as a pension or welfare benefits or could be a combination of the two
  - The amount of any capital held over £6,000
  - The circumstances of the household, i.e. number of dependents, whether there are any disabilities, certain outgoings such as the cost of child care, whether there are any non-dependants in the household and the amount of Council Tax payable
- 8.8 In terms of taking concessionary payments by cash, this cannot be achieved with existing cash receipting facilities because there is no means of determining whether any particular customer is eligible for the concession. The Council closed its cash receipting function on 31 March 2005 and has since then had no facilities to accept cash across the counter. The decision to close the cash office was made in the light of decreasing demand making it no longer cost-effective. The Council cannot refuse to accept cash for statutory services such as Council Tax but can do so for discretionary services.
- 8.9 In 2019, there were 521 cash payments taken at the kiosk compared with 1,075 taken by debit and credit card. These figures are higher than expected in 2020 due to problems with the on-line service last year.
- 8.10 Very few customers nationally in receipt of Council Tax Reduction don't have access to a bank account and therefore debit card. This is a requirement for accepting state retirement pensions and welfare benefits such as Universal Credit and Housing Benefit.

## **9. LEGAL IMPLICATIONS**

- 9.1. Paragraph 5.6.1 of the Council's Constitution confirms Cabinet's authority *"To prepare and agree to implement policies and strategies other than those reserved to Council."*
- 9.2. Section 45(3) of the Environmental Protection Act 1990 states *"no charge shall be made for the collection of household waste except in cases prescribed in regulations made by the Secretary of State"*. Section 4 of Schedule 1 of the Controlled Waste (England and Wales) Regulations 2012 states that charges may be made for the collection of household garden waste.
- 9.3 Section 45(3) of the Environmental Protection Act 1990 requires that collection authorities make a reasonable charge for the collection of household garden waste. The Council has therefore set a charge with a view to recovering its operational contract costs, overheads, risks and administration costs. Cabinet may choose to update its waste collection policies to include a garden waste charge subsidy for certain residents based on criteria subject to an equality impact assessment and data impact assessment.

9.4 The Waste Contract will require a Contract Variation to clarify the changes of responsibility required of Urbaser in the collection of concessionary payments.

9.5 It is advisable for the Council to update its enforcements policies to cover applications for the proposed concessionary rate.

## **10. FINANCIAL IMPLICATIONS**

10.1. This report is seeking a decision on the scope of how concessions will operate. The system proposed is believed to be the simplest possible and therefore should be the lowest cost to implement and operate on an ongoing basis. Following a decision on the principles of the concession system, work will be carried out to determine what the costs involved will be. Up-front revenue costs could be incurred in either 2019/20 or 2020/21. It will need to be assessed whether this can be delivered within the budgetary control framework or if there will be a need for a referral back to Cabinet.

10.2. The draft budget for 2020/21 onwards includes an estimate of the ongoing cost of providing the concessionary rate. This attempts to reflect the lost income from those that are currently paying £40, but will become eligible for the reduced £20 rate. This is based on there being a similar level of take-up (50%) of the current service amongst those that would be eligible for a concessionary rate as amongst the total population. It is expected that this will be an over-estimate as the current take-up is likely to be lower than amongst the wider population e.g. due to not being able to afford the £40 charge. No allowance has been made for ongoing administration costs, so this will off-set the expected over-estimate on take-up levels. There has been no assumption made on the impact of the concessionary rate increasing take-up.

## **11. RISK IMPLICATIONS**

11.1. The transfer of Data from the Councils benefit system to the Waste Contractor, and other relevant third parties, will need to be set up in line with the GDPR rules in order to ensure there is no risk to sensitive personal data.

11.2. Efforts have been made to balance the simplicity of the provision of the concessions system with sufficient controls to check eligibility. However there is a risk that the system will allow a discount to be claimed incorrectly or not allow a discount when it should be allowed. The system testing should help to reduce this risk.

11.3. If there are any complications regarding setup and implementation, there is the potential for service disruption and negative impact on residents, including those residents wanting to receive a garden waste service but are not eligible for a concession or do not wish to pay by direct debit. This is because a new web portal development is required. Starting the renewal process in April 2020 should help mitigate many of the risks as the subscription year starts in August.

11.4. The ability of Waste Contractor to procure new third party contractors to develop a new payment portal to incorporate a two tier payment system and direct debits.

11.5. One off capital and ongoing revenue costs are not certain at this stage and this creates financial risk to the Council.

11.6. In the event the system cannot be automated there will be additional on-going revenue costs associated with manual input (Para's 2.3 & 8.3)

## **12. EQUALITIES IMPLICATIONS**

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. A concessionary rate policy may provide more access to some of our financially disadvantaged residents for our garden waste service. Section 7.6 notes a mitigating action to address the issues with the renewal service. Section 8.1 notes the availability of only online and phone payments. Section 8.4 states that the system will be robustly tested and any adverse impacts on residents will be noted and action on where feasible. An initial Equality Impact Assessment has been completed (Appendix A)

## **13. SOCIAL VALUE IMPLICATIONS**

- 13.1. The Social Value Act and “go local” requirements do not apply to this report. However, a concessionary rate for the garden waste charge would improve residents access to this service

## **14. HUMAN RESOURCE IMPLICATIONS**

- 14.1. There are no direct human resources implications at this stage however if manual intervention is required for the processing of payments then this will need to be further reviewed.

## **15. APPENDICES**

- 15.1. Appendix A – Equality Impact Assessment

## **16. CONTACT OFFICERS**

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## **17. BACKGROUND PAPERS**

17.1. None

## Equality Analysis

## Equality Analysis Template

1. Name of activity:	<b>Garden Waste Service</b>			
2. Main purpose of activity:	<ul style="list-style-type: none"> <li>a. implementing concessionary rates in the following manner</li> <li>b. 50% reduction in the standard rate, currently the rate is £40</li> <li>c. Concessions only apply to those households that receive council tax reduction (to be required to provide evidence of eligibility by providing a unique reference number relating to the already established the CTRS benefit).</li> </ul>			
3. List the information, data or evidence used in this assessment:	Existing garden waste subscribers and policies, council tax benefit database and policies			
<b>4. Assessment</b>				
<b>Characteristics</b>	<b>Neutral</b> (x)	<b>Negative</b> (x)	<b>Positive</b> (x)	Describe the person you are assessing the impact on, including identifying: community member or employee, details of the characteristic if relevant, e.g. mobility problems/particular religion and why and how they might be <b>negatively or positively</b> affected.  <b>Negative: What are the risks?</b> <b>Positive: What are the benefits?</b>
<b>Community considerations</b> (i.e. applying across communities or associated with rural living or Human Rights)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<b>Negative</b>
				There is a possibility that those on a low income may not be on receipt of CTRS and not benefit from this reduction on fee. Those on low incomes may still choose not to spend funds on garden waste removal over other essential purchases/costs
A person living with a disability	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<b>Positive</b>
				a. Those that are part of the CTRS are on low incomes and therefore are most likely to benefit from a reduction in the charge if they apply. The CTRS is already a well used method of means tested benefit provision.
A person of a particular race	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Negative</b>
				n/a
A person of a gay, lesbian or bisexual sexual	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Positive</b>
				n/a

## Equality Analysis

orientation				<b>Positive</b>
				n/a
A person of a particular sex, male or female, including issues around pregnancy and maternity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Negative</b>
				n/a
				<b>Positive</b>
				n/a
A person of a particular religion or belief	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Negative</b>
				n/a
				<b>Positive</b>
				n/a
A person of a particular age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<b>Negative</b>
				Some elderly residents have a lower income and therefore have less available funds for spending on non-essential items such as garden waste collections. Elderly residents may be capital rich and revenue poor so may not meet the criteria for means testing.
				<b>Positive</b>
				Elderly residents may need assistance to remove their garden waste, which they cannot achieve themselves. By paying for removal this reduces a burden on them.
Transgender	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>Negative</b>
				n/a
				<b>Positive</b>
				n/a

**5 Results**

	Yes	No	
Were positive impacts identified?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Greater uptake of the paid garden waste scheme to reduce the impact on the environment. Ensures the service is made more accessible to the community.
Are some people benefiting more than others? If so explain who and why.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	All householders that pay for the service benefit from the removal of green waste.
Were negative impacts identified (what actions were taken)	<input type="checkbox"/>	<input type="checkbox"/>	Some residents on a lower income may not be eligible for CTRS – CTRS is already established as a trusted means tested benefit system and can be translated to a concessionary rate decision for garden waste. There are no current reductions for part year provision. This may disadvantage those who circumstances

**Equality Analysis**

			change within the year.
<b>6. Consultation, decisions and actions</b>			
If High or very high range results were identified who was consulted and what recommendations were given?			
None identified			
Describe the decision on this activity			
n/a			
List all actions identified to address/mitigate negative impact or promote positively			
Action	Responsible person	Completion due date	
n/a	n/a	n/a	
When, how and by whom will these actions be monitored?			
n/a			
<b>7. Signatures</b>			
Assessor			
Name:		Signature**	
Validated by			
Name:		Signature**	
<b>Forward to the Corporate Policy Team</b>			
Signature**			
Assessment date:		Review date:	

**\*\* Please type your name to allow forms to be sent electronically.**

***A copy of this form should be forwarded to the corporate policy team and duplicate filed on the council's report system alongside any report proposing a decision on policy or service change.***