

## Report to the Executive



<b>DATE</b>	23rd March 2021
<b>PORTFOLIO</b>	Community & Environmental Services / Resources
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## Extend the Bulky Waste Price Reduction

### PURPOSE

1. To seek approval to extend the price reduction for the Bulky Waste collection service for a further 6 months.

### RECOMMENDATION

2. The Executive is recommended to:
  - a) Subject to paragraphs 2(b) and 2(c) to keep the Bulky Waste collection service charge at the reduced price of £6.90 for a further 6 months from the expiry of the current trial.
  - b) Recommend to Full Council to carry forward the unspent waste contingency budget from 2020/21 into the next financial year.
  - c) Recommend to Full Council that it approves any shortfall in income during the 6 month trial to be met from the unspent waste contingency for 2020/21 and/or Covid Reserve.

### REASONS FOR RECOMMENDATION

3. The initial trial period for the price reduction for the Bulky Waste Collection service was from January to March 2021. The trial has been extremely successful and very well utilised by residents. The number of requests for the Bulky Waste collection service have significantly increased during the trial period. By extending the price reduction for an additional 6 months, this will allow a longer-term assessment to be made in relation to the price and the demand for the service.
4. The extension of the price reduction will support local residents through the Covid recovery period and encourage continued use of the Bulky Waste collection service. This approach will support social distancing measures by encouraging residents to continue to use the service, whilst avoiding an increased impact upon Lancashire County Councils Household Waste Recycling Centres (HWRCs), which are currently operating under restrictive operational measures.

## SUMMARY OF KEY POINTS

5. In December 2020, a decision was reached to reduce the price of the Bulky Waste collection service by 50% to £6.90 for a 3-month trial period from January until the end of March 2021.
6. The table below shows the numbers of requests for the Bulky Waste service over the last 2 years. \*It should be noted that 2021 figures only show the number of requests up until 8th March 2021:

Year	Jan – March	April – June	July – Sept	Oct – Dec
2019	846	859	887	830
2020	912	1145	1385	1190
2021	2067*			

7. As the table clearly shows, there has been a significant increase in demand for the Bulky Waste Collection service during both the periods of lockdown and also due to the success of the price reduction. The current pilot is of a single charge of £6.90 for one collection of up to 4 household items. The number of requests for the Bulky service in quarter one in 2021 is almost three times the numbers received during both 2019 and 2020. By extending the trial for a further period, a full assessment can be made to determine if pricing has a significant affect upon demand for the service. It is proposed that a business case can be pulled together, with a view to reviewing the service charge on a longer-term basis.
8. The Bulky Waste service normally operates with one hundred Bulky Waste collection slots taking place each week. During the trial period, the number of Bulky waste collection slots made available was increased to two hundred collections per week. This was achieved operationally by utilising the Garden Waste staff and vehicles during the winter shutdown for the garden waste service.
9. The Garden waste service restarts from 15<sup>th</sup> March 2021. In order to extend the price reduction for the Bulky Collection service and keep the increased number of Bulky Waste collection slots available, there will be an increase in operational costs. It is anticipated that these additional costs may be met from the additional income generated if the current demand is sustained (see paragraph 12) but it is difficult to predict this with certainty and therefore it is proposed that any shortfall in income should be met from the council's waste contingency and/or Covid reserve.
10. It is anticipated that if the demand sustains at the current levels, there would be a need for 2 additional collections crews to operate each Monday to fulfil the additional Bulky waste collections. The additional cost to provide this service for a 6-month period would be approximately £30,000.
11. The HWRCs managed by Lancashire County Council are currently operating under restrictive measures. Residents are only able to take one waste stream at a time to the HWRCs and are unable to freely walk around the sites. In addition, the HWRCs operatives

that would normally assist with unloading larger items for recycling have been unable to assist with this due to complying with social distancing measures. Therefore, by extending the Bulky waste trial it offers residents a reduced-price service which supports continued compliance with the Covid related restrictions.

## **FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

12. By reducing the price of the bulky waste service by 50%, there will potentially be an impact upon the income generated. The price reduction from Jan – March didn't affect the income budget for 2020/21, this was in the main due to the fact that the budget for the full financial year had been achieved by December 2020, due to increased demand for the service caused by lockdown. The final projection is that income for 2020/21 will exceed budget by approximately £30k.
13. The income generated during the trial period Jan- March 2021 is in line with budget expectations. Although the price for the service was reduced, the demand for the service has increased. Between Jan-March when Bulky collections were reduced to £6.90, the estimated income during this period is approximately £14,000. If the demand for the service sustains at these levels, this would satisfy current income budgets, however this remains unknown. It is suggested that should the trial be extended, the demand and any financial impact will continue to be monitored and managed via the budget monitoring process. As recommended, with any shortfall met from the unspent waste contingency budget which at the time of writing this report stands at c£48,500 and/or the Covid reserve.

## **POLICY IMPLICATIONS**

15. This supports the strategic objective to maintain a clean, safe, attractive and environmentally friendly borough, whilst assisting resident during the easing of lockdown.

## **DETAILS OF CONSULTATION**

16. The council's scrutiny committee will be consulted on 17<sup>th</sup> March 2021

## **BACKGROUND PAPERS**

17. Full Council fees and charges decision of 16<sup>th</sup> December 2021

## **FURTHER INFORMATION**

**PLEASE CONTACT:** Joanne Swift

**ALSO:** Lukman Patel

