

EAST RENFREWSHIRE COUNCIL

AUDIT AND SCRUTINY COMMITTEE

8 February 2023

Report by Clerk

ADDITION TO CHARGING FOR SERVICES 2023/24

PURPOSE OF REPORT

1. To consider the decision made by the Cabinet on 26 January 2023 regarding an *Addition to Charging for Services 2023/24*, which was called-in in terms of agreed procedures.

RECOMMENDATION

2. It is recommended that the committee consider the Cabinet's decision in light of the terms of the call-in notice and the additional information provided at the Audit and Scrutiny Committee meeting.

BACKGROUND

3. On 26 January 2023 the Cabinet considered a report by the Director of Environment (a copy of which is attached at Appendix 1), updating the Cabinet following the Charging for Services exercise carried out within the Environment Department and the submission of a report on that to the Cabinet on 1 December (Item No.33 of [original report](#) of 1 December refers).

4. Having set out the position on a range of considerations, the report considered by the Cabinet on 26 January concluded that:-

- Increasing the charge for a garden waste permit would assist towards recovery of full costs, and contribute to 2023/24 savings proposals;
- The new offer of an additional garden waste bin for participating households would assist towards the Environment Department's income generation and savings targets; and
- That an early decision from Members would allow Neighbourhood Services to commence the sale of Garden Waste Scheme Permits from week-commencing 30 January 2023.

5. Having considered the report, as recommended, the Cabinet approved:-

- (a) an increase in the charge for the Garden Waste Permit 2023/24 from £40 to £60; and
- (b) the introduction of a new charge for an additional garden waste container for participating households of £60 for an additional permit; plus £60 to cover the cost of the new container, including delivery.

6. In accordance with agreed procedures, the Cabinet decision notice was issued to all Elected Members later that day.

REPORT

7. On Monday, 30 January, a notice calling-in the Cabinet's decision was submitted. The notice was signed by Councillors McLean, Edlin, Campbell, Wallace and Morrison, with Councillor McLean being the lead signatory.

8. The notice listed the following reasons for the call-in:-

- The main objective of charging for services within the Environment Department is to, where possible, ensure that the actual costs of delivering such services are fully recovered.
- The paper failed to provide Cabinet with a breakdown of the costs of delivering the garden waste uplift service. Cabinet were however verbally advised by officers that whilst the "brown bin uplift" service will run at a loss, the garden waste element of that service to which the charges are applicable, presently operates at a profit.
- It is accepted that inflationary pressures as itemised in the paper could eliminate any profit, an increase of 50%, based on the information provided to Cabinet thus far, is not justified, placing an unfair burden on those who use the service.

9. The alternative proposal to that agreed by the Cabinet listed on the call-in notice was:-

- The increase in charge be contained below the rate of inflation by way of efficiencies accrued from the provision of a second bin as detailed in the paper.

10. In terms of the procedures for the consideration of a decision that has been called-in, Councillor Devlin is the relevant Convener, as Convener for Environment and Housing. As he is unable to attend on the date the Audit and Scrutiny Committee is considering the called-in decision, in accordance with the agreed procedures, Councillor O'Donnell, Leader of the Council, will attend as substitute. Councillor McLean, as the lead signatory to the call-in, and relevant officers from the Environment Department, have also been invited to attend the meeting to speak to the report, the Cabinet's decision, and the call-in notice.

11. At the Audit and Scrutiny Committee meeting, the committee will consider the Cabinet report (Appendix 1 refers), and hear from those parties invited to the meeting to give evidence. These parties will be the lead signatory to the call-in Councillor McLean, the Leader of the Council who is substituting for the Convener for Environment and Housing, and appropriate officers.

12. Having considered the report and having heard the evidence, the committee will reach a decision:-

- (1) If the committee agrees with the Cabinet's decision, the Cabinet's decision will be implemented immediately.
- (2) If the committee disagrees with the Cabinet's decision, a report, giving details of the committee's recommended changes and the reasons for them, will be prepared and submitted to the first available meeting of the Cabinet. In the event that a minority view in support of the Cabinet's decision has been expressed by members of the committee, this will be reflected in the report. The Chair of the committee will present the report to the Cabinet.

- (3) If having heard from the Chair of the committee the Cabinet accepts the committee's recommendations, this will become the decision of the Cabinet. In these circumstances, the amended Cabinet decision cannot be the subject of a further call-in.
- (4) If, having heard from the Chair of the committee the Cabinet is not prepared to accept the committee's recommendations, the matter will be referred to the next available meeting of the Council to decide whether either the Cabinet's original decision, or the committee's proposals, should be approved.

RECOMMENDATION

13. It is recommended that the committee consider the Cabinet's decision in light of the terms of the call-in notice and the additional information provided at the meeting.

Report Author

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EAST RENFREWSHIRE COUNCILCABINET26 January 2023Report by Director of EnvironmentADDITION TO CHARGING FOR SERVICES 23/24**PURPOSE OF REPORT**

1. The purpose of this report is to update Cabinet following the Charging for Services exercise carried out within the Environment Department and reported to Cabinet on 1st December 2022. At that Cabinet it was advised that a further report would be brought to a future meeting outlining new charges / services for the Garden Waste Permit Scheme (Item No.33 of original report).

RECOMMENDATIONS

2. The Cabinet is asked to approve the following Garden Waste Scheme proposals in order to commence sales of permits for the 2023/24 year:

- a) an increase in the charge for the Garden Waste Permit 2023/2024 from £40 to £60 which is more than inflation; and
- b) the introduction of a new charge for an additional garden waste container for participating households of £60 for an additional permit; plus £60 to cover the cost of a new container including delivery.

BACKGROUND

3. At Cabinet on 1st December 2022, a charging for services report was brought to Cabinet for approval. One of the proposals was to increase the charge to collect garden waste by more than inflation.

4. This proposal was part of a range of budget options being consulted on over Autumn. Cabinet agreed to delay the decision on whether to increase garden waste charges until the result of the consultation was available. In addition the exact scale of the budget challenge would not be known until after the December announcement by the Scottish Government. Following the Scottish Government budget announcement it has now been confirmed that the Council settlement will be close to the expected flat cash position and that there remains a substantial budget challenge.

REPORT

5. The main objective of charging for services within the Environment Department is to, where possible, ensure that the actual full costs to the department are recovered. More recently, where it was thought there would be no detrimental effect on the up-take of a service, charges have been increased to generate additional income. This builds on the report of the Audit and Scrutiny Committee of 31st October 2019, Income Generation and Commercialisation, which promotes a positive culture of commercialisation.

6. Due to above inflation rises in processing costs, gate fees and the rise in fuel costs it is proposed that a garden waste permit is increased from £40 to £60 per annum. This is above the current inflation rate of 12.3%. The proposed increase, should sufficient participants continue with the scheme, is expected to generate revenue that will support full cost recovery of the Garden Waste Scheme and also generate a small amount of additional income.

7. As an enhancement to the current service it is proposed that residents can purchase an additional bin for garden waste, with a limit of 5000 bins being set for operational reasons. An additional bin, including delivery, would cost £60 as a one off purchase, to cover costs of supply. The second bin would require an additional permit at £60 per annum.

8. A decision on the charge for Garden waste cannot be delayed until the Council's budget meeting in March 1st 2023 for the following reasons:

- To allow appropriate time for a mail drop to residents regarding the 23/24 scheme, scheduled w/c 30th January and w/c 6th February
- To ensure adequate time to update internal systems and changes for the 23/24 scheme
- To avoid cross over with the Council Tax reminder letter that is issued each year
- To ensure continued service and that residents have sufficient time to purchase a permit in advance of scheme renewing 1st April 2023

9. Feedback from the budget consultation is still being collated but early feedback shows that refuse collection was a key concern for respondents when looking at Environment Department's potential savings. 48 respondents to the public consultation suggested the Council should consider increasing charges and/or altering the collection cycle.

10. In terms of the funding available to the Council, detailed figures are being prepared for the 1st March Council meeting. However the initial assumptions made when the budget consultation was being prepared have proved to be relatively accurate and the Council has a funding gap of circa £19m for 23/24.

FINANCE AND EFFICIENCY

11. The increased cost of the permit and addition of new services will assist in full cost recovery and contribute to savings proposals by increasing income in 2023/24.

CONSULTATION

12. This report has been prepared in consultation with the Accountancy Section. Increased charges for the Garden Waste Scheme also featured in the recent public consultation on the Council's overall savings proposals.

PARTNERSHIP WORKING

13. There was no partnership working associated with this report.

IMPLICATIONS OF THE PROPOSALS

Equalities

14. It has been identified that this may have an impact on low income households. There is however an instalment process to help spread the cost for any financial hardship cases.

CONCLUSIONS

15. Increasing the charge for a garden waste permit will assist towards recovery of full costs, and contribute to 2023/24 savings proposals.

16. The new offer of an additional garden waste bin for participating households will assist towards the Environment Department's income generation and savings targets.

17. An early decision from Members will allow the Neighbourhood Services to commence the sale of Garden Waste Scheme Permits from w/c 30th January 2023.

RECOMMENDATIONS

18. The Cabinet is asked to approve the following Garden Waste Scheme proposals in order to commence sales of permits for the 2023/24 year:

- a) an increase in the charge for the Garden Waste Permit 2023/2024 from £40 to £60 which is more than inflation; and
- b) the introduction of a new charge for an additional garden waste container for participating households of £60 for an additional permit; plus £60 to cover the cost of a new container including delivery

Director of Environment

Further information can be obtained from: Andrew Corry, Head of Operations on 0141 577 3458 or andrew.corry@eastrenfrewshire.gov.uk

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January 2023

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