

## **8.9 INTRODUCTION OF A MODIFIED BULKY HOUSEHOLD WASTE COLLECTION SERVICE**

**DIRECTORATE:** WATER AND WASTE  
**AUTHOR:** Morne Hattingh, Manager - Waste and Resource Recovery  
**Reference:** Item 14.2 to Ordinary Council 22 May 2018 - Minute No 182/18

### **RECOMMENDATION**

*That in relation to the report “Introduction of a Modified Bulky Household Waste Collection Service”, Council:*

- (i) place on public display for a period of not less than 28 days:
  - a. a proposal to offer a fee for service Bulky Household Waste Collection Service in accordance with the points detailed in the report;*
  - b. the suggested charges per collection as detailed in the report including the 50% reduction in charges for pensioners and those with a disability card;**
- (ii) the commencement of the public display period be delayed until mid-July 2022; and*
- (iii) request the Director Water and Waste submit a further report at the completion of the public display period with details of the submissions received to inform Council’s final decision in relation to this matter.*

### **SUMMARY**

The purpose of this report is to seek direction from Council in relation to the possible introduction of a modified Bulky Household Waste Collection Service.

### **COMMENTARY**

In 2009, Council entered into a waste collection contract with Cleanaway Pty Ltd for the provision of waste collection services for an initial period of 10 years. The services provided included the provision of 2 bulky household waste collections per year to residential property owners in Tamworth, Moonbi, Kootingal, Barraba, Manilla and Nundle.

At Council’s Ordinary Meeting of 22 May 2018, Council resolved to exercise the allowed option to extend the Contract for 12 months to expire on 30 June 2020. In May 2021, Council extended the service contract for a further 12 months to allow sufficient time to test the market and consider the level of service provision for Councils new kerbside service. Both extensions included the entire portfolio of services.

At Councillor workshops held on 14 May 2019 and 9 July 2019, the delivery of the bulky household waste collection service (BHCW) was discussed and Council agreed to discontinue the BHCW service in the new tender for waste services.

The main reasons for this decision included:

- the current kerbside BHCW yields a very poor rate of resource recovery with almost all of the items collected going to landfill;
- waste is often placed on the kerbside weeks prior to the scheduled date of the collection, creating:

- a significant volume of additional work for Compliance and Waste Operations staff where items are treated as illegally dumped waste and warning letters need to be issued and investigations undertaken;
- a very unappealing visual impression of the region as the streets are lined with waste;
- an ongoing issue where items are sometimes left at the kerbside year-round with the expectation there will be a collection at some point;
- exploitation of allowed volume;
- review of missed service claims is time consuming in relation to receiving the report to reviewing and in the event of a missed service having the issue resolved;
- delays can occur due to weather or volumes presented;
- the cost of the service for the number of properties who utilise the service; and
- unacceptable items being presented for collection.

As a result, tenders for the new Kerbside Collection contract tendered in early 2020 did not include the delivery of a BHCW service.

Originally it was intended that the provision of free waste vouchers, which would allow property owners to take any waste to a Council waste facility for disposal, free of charge, would compensate for the loss of the BHCW service.

Since the discontinuation of the BHCW service, the community has had to adapt to the free voucher. Of the 21,766 vouchers sent out each quarter, the redemption rate is approximately 14%. This is slightly lower than the old verge side BHCW pick up participation rate of 23% (June 2020, with 6,162 participants of 21,785 eligible services). Council has also received numerous comments and requests for the reinstatement of the BHCW service. The reasons heard from the community in regards to why a BHCW service should be reconsidered include:

- some pensioners and community members cannot utilise their free voucher due to not having access to a vehicle or trailer;
- people living with a disability find it hard to load and unload BHCW material. Placing waste on a verge is easier;
- some residents reported their vouchers had been removed/stolen from their post boxes;
- although the verge side BHCW service allowed for two cubic metres of waste disposal only, voucher users reported larger households placed more waste on the verge anyway, as opposed to what can fit into a standard box trailer; and
- neighbouring Councils still provide the service to the community (Armidale, Walcha, Gunnedah, Moree Plains, Liverpool Plains, Inverell and Glenn Innes).

Following the Council election for a new Tamworth Regional Council, the new Council has expressed an interest in reintroducing the BHCW service in some form and asked staff to investigate options.

Options investigated are detailed below:

### **Option 1 – Do nothing**

Council could continue with the voucher system and not reintroduce the BHCW service.

The cost of printing 25,479 vouchers and postage four times per year is budgeted at approximately \$47,000 per year. This excludes the staff resourcing cost to administer the postal database and other administration functions. Given the take up of the vouchers, staff are developing a digital voucher system which will allow the voucher to be generated through the existing weighbridge software package already

owned by Council. This would do away with the need to mail out vouchers twice per year.

The advantages of this option include:

- the overall cost is the least of any option considered and cost will fall further when the system becomes electronic; and
- waste that can be recycled is diverted from landfill.

The disadvantages include:

- does not address those people who do not have access to a trailer; and
- does not address people with a disability who find it difficult to load and deliver waste to a waste facility.

### **Option 2 – Reinstate the old BHWC service**

Council could negotiate with the current supplier of the kerbside collection service and, assuming agreement could be reached, reinstate the BHWC service as per the previous contract.

Recent discussions with Cleanaway, Council's current kerbside collection contractor, with regards to the possible reinstatement of a BHWC service resulted in the following key outcomes:

- should Cleanaway consider varying the current collection contract to include a BHWC service, they will need to acquire/ rent trucks for the service. The current Contract precludes the requirement for having a standby fleet resource capable of performing a BHWC service;
- Cleanaway will need to use labour hire to provide a BHWC service. They are no longer resourced to draw upon internal resources to perform the service;
- the bank guarantees held by Council, for the provision of kerbside services exclude a BHWC service. As a result, Council could not seek compensation from Cleanaway if Cleanaway fails to perform a scheduled BHWC service;
- Cleanaway's preferred method of a BHWC is the same system as before – all waste placed on the verge, collections twice per year minimum; and
- the financial considerations for the provision of a BHWC service were in the range of \$180,000 per service, excluding disposal cost.

The advantages of this option include:

- addresses issues associated with not having access to suitable vehicles or trailers and people with disability restrictions; and
- Cleanaway will resource the service from an administrative perspective.

The disadvantages include:

- almost all waste collected would be landfilled;
- the highest cost option estimated at ~ \$360,000 per annum;
- issues associated with original BHWC service would remain;
- require a kerbside contract variation, which could lead to increased cost;

### **Option 3 – On Call Skip Service**

The proposed BHWC On-Call Skip Service consists of Council purchasing fifty skip bins (3 cubic metre bins) and to 'hire' the bins out on a 7-day cycle to eligible properties. The bins could be dropped off by one of the two local skip companies. Both skip service companies expressed an interest in this type of service.

The advantages include:

- provides an aesthetically pleasing service; and

- provides local employment opportunities.

The disadvantages:

- almost all waste collected would be landfilled;
- cost outlay to purchase 50 skips;
- additional skips may be required if the service takes off;
- contracts to be negotiated with local skip companies;
- additional staff administration required to manage calls and bookings;
- skip companies have requested a minimum two-year term;
- the cost of skip delivery and skip collections will need to be paid by council;
- skip bins could be used for demolition / building renovations instead;
- second most expensive service to deliver, at a budget estimate of ~\$280,000;
- property damage from skip bin placements; and
- service is reliant on availability of skip trucks to perform collections, prioritising TRC service may be an issue.

#### **Options 4 – On Call Verge Side Service**

The On-Call BHWVC Verge Side service is very similar to Option 3, with the exception of not using a skip bin for storing the waste material. Instead, waste may be placed on the property verge. Residents will be able to make online bookings or receive an assisted booking service.

Council staff will attend to scheduled properties using a vehicle and 9x5 Caged trailer to collect the material from the verge.

The advantages:

- aids in resource recovery of BHWVC material;
- material can be inspected on the verge prior to loading;
- the volume of material placed on the verge could be better managed;
- the service can be adjusted based on available budget and access to resources;
- the second cheapest service provision cost of all options presented to council; and
- the service can be transitioned to a subcontractor model/community service model with ease, once cost and service frequencies have been determined.

The disadvantages:

- additional staff administration required to manage calls and bookings;
- minor risk of property damage caused by staff loading the trailer;
- any significant resources issues faced by the waste division will see labour redirected to core waste services; and
- neighbouring properties near a scheduled service could add waste to their neighbour's stockpile.

#### **Option 5 – Trailer Library**

The trailer library concept was developed initially by Byron Bay Council. Residents will be able to drive to Forest Road Landfill and collect one of two available trailers for hire.

The residents will complete a safety induction and provide a deposit for the trailer hire. Trailers will be connected to the vehicle by TRC staff. Residents will have 4 hours to return the trailer to Forest Road Landfill.

The advantages include:

- besides the trailer induction, the service is basically a self-service function; and

- cheapest service to implement.

The disadvantages:

- additional staff administration required to manage calls and bookings;
- minor risk of property damage caused by staff loading the trailer;
- residents could damage or steal the trailer;
- waste streams could exceed permitted quantities;
- banned material types could be hidden in the load;
- some cars do not allow connection to trailers;
- some residents can't tow or reverse a trailer; and
- difficult to control prescheduled hired time slots, causing follow up bookings to be delayed.

### **Options 6 – Charity Collection service**

It could be possible for registered charity to offer a service similar to that suggested in Option 4.

The advantages of this option include:

- fees for service goes to a charity; and
- other than providing a booking service no cost involved for Council.

The disadvantages of this option include:

- charity not able to resource the service sufficiently; and
- as per option 4.

One of the issues associated with this option which deters any charity from offering a BHWC service is the number of unknowns involved in setting up the service including:

- how many people will use the service;
- how many individual services will be required in what period;
- the material type and quantity of the waste placed out for disposal;
- how long it will take to collect the waste; and
- a reasonable fee that could be charged for delivering the service.

To address some of the issues mentioned in option 6, staff suggested Council provide a modified BHWC service as per Option 4 above for approximately 1 year using Council resources. During that time, data will be collected which will provide answers to the questions in relation to a charity providing the service in the future. Then, in 12 approximately months, Council can make a decision on the future of the service and whether or not Council provides the service or makes it available to a charity.

Following further discussion with Councillors, including a Councillor workshop on 17 May 2022, Council agreed with this suggestion.

As a result, a new service is proposed which includes free vouchers of 4 per year to all property across the Council area will continue and an on call BHWC service including the following;

- will be provided by Council staff;
- will be an on-call service where residents will book a collection, either on line or over the phone;
- because of resourcing constraints 2,496 pickups will be offered per annum – i.e., 8 per day and 40 per week;
- will be on a 'first come first received' basis;

- will be offered to all domestic property owners/tenants who have an existing waste collection service;
- limited to property that can be safely serviced – e.g. the verge should be easily accessible and line of site of the vehicle parked on the side of the road whilst material is loaded;
- maximum load that will be collected per service is 2 cubic meters;
- waste must be sorted to allow recycling;
- waste is to be placed on the verge 7 days before pick up; and
- a free waste voucher must be surrendered at the time of pick up.

For Council to provide this proposed level of service, the following resourcing provisions would be required:

<b>Year 1</b>	
Digitalisation Of Voucher System Develop BHCW Self Service Check Out System QR Code Scanner Upgrades for All Waste Sites	\$32,000
Administration	\$35,000
BHCW Service - Community Education Campaign	\$10,000
Two New Caged Box Trailers	\$4,800
BHCW Printed Collateral	\$5,000
Waste Disposal Cost	\$50,000
2 Landfill Operators – Resourced from Rural Sites Rationalisation of Opening Hours	\$0
<b>TOTAL</b>	<b>\$136,800</b>

A key consideration is whether a charge should be levied for the pickup and if so, how much is considered reasonable. There is considerable cost to the provision of the service and it is considered those people who utilise the service should pay the majority of the cost associated with that provision.

As a guide the direct cost per hour to provide the pick-up with 2 staff and plant is approximately \$62/hour. Resourcing has been based on each pick up – travel to the site, pick-up and delivery to the waste facility will take 1 hour.

Further complicating estimates of income and cost is that it is unknown how many pickups will be required in a 12-month period. Notwithstanding this uncertainty the following costs per pick up are suggested. The higher figure for regional centres and regional remotes reflects the added time required to travel to the site from Forest Road Landfill.

<b>Areas</b>	<b>Location</b>	<b>Charge</b>
Urban Residential Property	Tamworth, Kootingal & Moonbi	\$25 per collection + Voucher

Regional Centre Residential Property	Barraba, Manilla, Nundle	\$35 per collection + Voucher
Regional Remote Residential Property	Regional remote areas receiving a waste collection service (generally property is on a route between areas receiving a service)	\$45 per collection + Voucher

Assuming Council wishes to charge a fee then Council may also consider waiving or reducing the collection fee. Previously Council has allowed pensioners and those who can present a disability card some concessions in relation to the use of hoses during sewer water restrictions etc. If Council would like to offer the similar concession, then it is suggested a 50% discount on the cost could be provided for pensioners and those with a disability card.

**(a) Policy Implications**

Nil

**(b) Financial Implications**

As per the body of the report. The charges proposed will not cover the cost of the service provision, which should Council wish to proceed will require funding from the waste reserve.

It should also be noted the service can only be provided with at the costs shown if in house resources are released from current waste related activities as would occur if Council agrees with the recommendation to rationalise opening hours of regional waste facilities as reported to Council elsewhere in the 14 June Council Business Paper. If Council does not support the rationalisation of opening hours, then additional staff would have to be employed to provide the BHCW service at additional cost.

**(c) Legal Implications**

Nil

**(d) Community Consultation**

If Council agrees with the recommendation, the proposed modified Bulky Household Waste Collection service, including any fees payable will be placed on public display for a period of not less than 28 days, seeking public comment on the proposal.

Given the level of public consultation presently underway, it is suggested the commencement of the advertising period for this proposal be delayed until mid-July 2022 to allow finer details of the proposed service to be worked out and to ensure as many members of the public as possible are aware of the proposal and given the opportunity to comment.

**(e) Delivery Program Objective/Strategy**

A Region for the Future – F22 Encourage efficient use of resources to improve environmental sustainability.

