

Somerset Waste Board meeting
27th of September 2019
Report for decision

Proposed Fees and Charges 2020/2021

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Forward Plan Reference:	SWB/19/04/03
Summary:	The purpose of this report is to seek Member approval for fees and charges applied to waste services for which a charge may be made, for the financial year 2020/2021.
Recommendations:	That the Somerset Waste Board agrees to recommend the proposed charges for introduction from April 2020
Reasons for recommendations:	This is an annual exercise carried out in the Autumn to enable partners to feed fees and charges into the budgeting process for the following financial year.
Links to Priorities and Impact on Annual Business Plan:	To continue to align more of the cost of the service to the service user and reduce the burden on the general Council Tax payer.
Financial, Legal and HR Implications:	The increase in charges will continue to reduce the burden on the general Council Tax payer but continues to provide good value for money to the service user.
Equalities Implications:	An equalities impact assessment is set out in appendix B. The impact of the recommended schedule of charges in the 2020/2021 period will be limited: garden waste charges are proposed to be reduced, community recycling centre entrance charges and bin delivery charges are proposed to be removed, whilst other recycling centre and bulky waste collection charges are increasing either in line with inflation or to reflect the costs of service with our new collection contractor.

Risk Assessment:	If fees and charges are not reviewed there is a risk the costs will not cover provision of the service and hence place a burden on the general Council Tax payer.
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1. Background

- 1.1.** Waste Collection Authorities (WCAs) are empowered by the Environmental Protection Act 1990 and by regulations to charge for the collection of certain types of household wastes. These include bulky items and household garden wastes. The authorities are also empowered to charge for the provision of waste containers. Waste Disposal Authorities (WDA) are empowered by the Environmental Protection Act 1990 and by regulation to charge for the disposal of certain wastes. These powers have been delegated to the Somerset Waste Board (SWB) through the Appendix 1 of the Constitution.
- 1.2.** In 2016 the board voted to harmonise charges across the County for all the chargeable services included in this report. It is recommended this continues and the proposed charges are again adopted across the County. The Board have previously set out that there should be no subsidy for discretionary services.

For the first time since 2007 we will be operating the collection services with a new contract and a new commercial partner (SUEZ). The significant changes to operations also result in some changes to our cost profile, which have some impacts upon charges.

Recycling Centres

- 1.3.** From the 1 April 2020 Local authorities currently charging their residents to use household waste recycling centres are no longer allowed to make charges for such sites. It is recommended the two 'Community Recycling Sites' at Crewekerne and Dulverton remain as part of the network but the charge for access is removed. Changes to the opening hours were made at these sites in 2019 with the removal of charges in mind, as part of the review of all recycling centre opening hours to better reflect need and demand.
- 1.4.** Charges for the deposit of other types of waste remain allowed and local authorities are not prevented from charging for waste and/or recycling from commercial operators or 'non-household' waste and or recycling from residents or non-residents. Whilst National Government have stated their intention to review this, but no final decision has been taken. It is proposed to retain these restrictions unless legislation changes.

1.5. The agreement with Viridor regarding charges at recycling centres allows Viridor to uplift charges for items such as rubble, tyres, gas bottles and commercial waste annually by the (Viridor) contracted inflation rate RPI, which this year is 2.48%. As these transactions are between Viridor and the Customer, these services are cost neutral to the Council. It is recommended that the Board notes and applies the uplifts as set out in Appendix A.

1.6. Garden Waste Collection Service

When we roll out the Recycle More service of increased weekly recycling, refuse collections will be every three weeks. This will mean that the current system of refuse one week and garden waste another will no longer be in place, as garden waste will continue to be collected every two weeks. Accordingly, SWP took this opportunity to stop the garden waste service being on the same day of the week as the refuse and recycling collections. With only around one-fifth of Somerset households subscribing to the garden waste service, this enables us to route vehicles much more efficiently, resulting in considerable carbon savings from these more efficient rounds. We will also introduce a requirement that garden waste sack customers (only 0.5% of garden waste customers) will need to phone before their next scheduled collection to indicate they will be placing sacks out for the next collection. Again, this results in a much more efficient service, as we will no longer have to drive past every garden waste sack customer's property – only those that are putting sacks out. These changes will happen from day 1 of the contract, and our communications plan will support residents in being aware of these changes. Not only do these changes result in carbon savings (from lower vehicle mileage), they have also enabled SWP to offer a small reduction in the cost of the garden waste service to all customers, whilst still delivering on the board's commitment to not subsidising the service. This is in effect a 5% saving to customers compared to what costs would have been had we continued with our current contractor and simply added inflation.

1.7.

<i>Garden Service</i>	<i>Bin</i>	<i>Sacks</i>
Current prices 19/20	£56.90	£28.40
Proposed prices 2020/21	£55.50	£27.50

1.8. Currently SSDC offer customers the chance to sign up for a two years garden waste service provision for a small discount. This has proved administratively complex to manage and increases the risk of service error as data is transmitted between SSDC, SWP and our contractor. In order to re-harmonise and allow us to review further improvements to the garden waste service (e.g. removing stickers, enabling customers to sign up at any point in the year, simplifying the payment system) it is recommended we do not offer this option this year. This will not affect those customers already on the second year of a two year subscription, but will mean that new customers cannot sign up for a two year deal.

1.9. Bin Delivery Charge

This is a discretionary charge for the delivery of residual waste bins applied rarely and in limited circumstances by a minority of our Districts Partners. Customer feedback suggests that this causes confusion and a reluctance to order additional recycling containers, as people misunderstand and think they may be charged for them. SWP do not want to discourage people from asking for the right recycling containment, and believe that other controls are sufficient to ensure that there are no/very limited false requests accepted. Accordingly, SWP recommend that District Council partners remove this charge to avoid putting people off recycling.

1.10. Bulky Waste

Whilst the new collection contract is expected to save over £2m overall, the costs of the bulky waste service, in isolation, are higher than those under the current contract (noting that the current contractor has previously indicated that the service is loss making). However, there also will be considerable service improvements – offering bookable timed slots rather than simply a collection day, an improved approach to reuse, a more consistent approach to offering collections from within the home. In order to cover the costs of the service and the administrative costs of delivering the service, it is proposed to increase the costs of the service from £44.50 for up to 3 items to £60, with each additional item up to a maximum of 5 items costing an extra £15. This will cover the costs of the service, with £11k to cover the District Council costs of administering the service (e.g. customer call centre costs). This is line with the Board's commitment to not offering a subsidy for such services. Free alternatives include using local recycling centres, offering goods for sale/reuse locally e.g. on social media, and there are many reputable firms that also undertake bulky waste collections.

2. Options Considered and reasons for rejecting them

- 2.1.** The option to keep prices the same was considered but this was rejected to allow for inflationary pressures and to recognise changes to the service provision.

3. Consultations undertaken

- 3.1.** Strategic Management Group (13th August 2019 and 10th September 2019)

4. Implications

- 4.1.** If the charges for these services are not reviewed the changes to the service may not be incorporated into the charging regime and costs may require subsidy from other areas of partner expenditure.
- 4.2.** The level at which charges are set provides incentives to encourage customers to reduce waste or use alternative options that are environmentally or socially beneficial (for example, by home composting garden waste or by using furniture reuse services for some bulky items).

5. Background papers

- 5.1.** Appendix A: Table of Fees and Charges
- 5.2.** Appendix B: Equalities Impact Assessment