

Somerset Waste Board meeting
24th September 2021
Report for decision



Fees and Charges 2022/2023

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Forward Plan Reference:	04/08/2021
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 2022/2023.
Recommendations:	<p>The Joint Waste Scrutiny Panel considers and comments on the following recommendations in this report.</p> <p>That the Somerset Waste Board: -</p> <p>I. Agrees to recommend the proposed Charges for introduction from April 2022</p>
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 the cost of the service to the service user and reduce the burden on the general Council Taxpayer. The board have repeatedly endorsed the policy of no subsidising services for which we are allowed to charge.
Financial, Legal and HR Implications:	The increase in some charges at recycling sites are a contractual obligation and are cost neutral to the partnership and partners. The freezing of the collection service costs will reduce the impact on the service user, but it is not predicted to transfer this burden to the general Council tax payer.

<p>Equalities Implications:</p>	<p>Where there has been a change in pricing there are strong mitigating factors in each case and therefore the impact is marginal and is unlikely to be prejudicial in accessing waste services in Somerset. In the circumstances it is not deemed necessary to complete an EIA</p>
<p>Risk Assessment:</p>	<p>If the fees and charges are not reviewed there is a risk that costs will not cover provision of the service (as they increase, for example due to contractual inflation indices) and the costs will increase the burden on the general Council Taxpayer.</p>

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. Since 2007 it has been the desire of the members to align the cost of those services for which a charge can be made to the service user. The level of subsidy provided across the County varied amongst the partners and required differing levels of price increases over the subsequent years to achieve this. 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.

1.3. Recycling Centres

The contractual 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 1.37%. 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 this uplift as proposed from April 2022 as shown in Table 1.

The current range of charges levied at the Recycling Sites cannot be accurately benchmarked against other authorities as the local circumstances and contractual arrangements make direct comparison difficult. However, in order to place our

proposed charges in context, for tyres and plasterboard Somerset remains slightly cheaper than our neighbouring authority average, whereas for asbestos and rubble we continue to be slightly above the average cost. For the latter this is balanced against offering our residents free disposal for rubble up to the equivalent of a single carrier bag.

Whilst the imposition of such charges could be construed as a reason to encourage residents to do something else with their waste (such as fly tipping) the numbers and tonnages don't support this. For example, we've seen a fairly constant amount of rubble accepted at the recycling sites whilst the number of total fly tipping incidents countywide had been on the decline until the last year, the table below illustrates these trends:

	Rubble Tonnage	Countywide Fly Tip Incidents
2017/18	2,727	4,629
2018/19	2,958	4,107
2019/20	3,166	3,413
2020/21	2,835	5,158

As we can see fly tipping incidents increased last year and a proportion of this rise has been black bags and other household type material although the source is hard to identify and may be from commercial offices or small businesses who produce similar waste streams.

Whilst it is likely service disruption may have had an impact on the increase in these incidents this would be impossible to accurately reflect whether this is true or indeed the scale relating directly to this issue from the information available. During this period many commercial providers had furloughed staff and were offering limited or nil service, Recycling Centres were closed for a period, and it is not possible to tie the disappointing increase to any single factor.

1.4. Household Collections

The agreement with Suez regarding contract charges for the following financial year is applied from a basket of indices published in October in the year prior to the uplift. Because of this we need to base our increased charges for these services on an estimate based on current financial forecasting and historical data. Estimates using these tools and data has in the past continued to remove any requirement for subsidy and apply the costs directly to the service user. The pandemic and other service pressures such as the difficulty to recruit and retain staff has resulted in the collection services suffering disruption at an unprecedented scale in 21/22. The cost of dealing with these issues has been in part met through relief provided through the Covid funding from Central Government and continues to be subject of negotiation between partners and contract providers. Considering two factors in particular, the level of service disruption suffered by our customers/residents and

our estimated inflationary pressures last year did not fully impact as much as predicted, it is recommended all charges relating to collection services are frozen at last year's levels.

1.5. **Table 1**

Table 1 Fees and Charges		2021-22	2022-23
Item	Unit	Actual Charge	Proposed Charge
Collection Charges (rounded)			
Garden Waste	Garden Bin 1 year	£57.20	no change
	sacks pack of 10	£28.30	no change
Bulky Waste Collection	1 to 3 items	£61.80	no change
	per additional item up to 5	£15.50	no change
Asbestos Collection	maximum 16 sheets or 1 tonne	£255.70	£259.20
Commodity Charges at Recycling Sites (rounded)			
Asbestos	per sheet or sack equivalent	£13.70	£13.90
Plasterboard	per sheet or sack equivalent	£4.60	£4.70
Gas Bottles	>10kg	£7.10	£7.20
	10-20kg	£14.10	£14.30
	Specialist cylinders	£41.50	£42.10
Soil and hardcore	Single carrier bag	No Charge	No Charge
	Rubble sack	£4.00	£4.10
	Small van or Trailer	£20.70	£21.00
	Medium van or trailer	£41.50	£42.10
Tyres	per Un-rimmed tyre	£4.00	£4.10
	per rimmed tyre	£5.30	£5.40
	per large (eg lorry type tyre)	£53.80	£54.50

2. Options Considered and reasons for rejecting them

- 2.1.** To raise the cost of 'collection services' but the level of service disruption in the last year and the lower-than-expected inflationary pressures has allowed us to continue to meet the desire to remove subsidies from the general Council tax payer in these services without the need to raise prices in the period covered by this paper.

3. Consultations undertaken

- 3.1.** Strategic Management Group

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 (none)