

Somerset Waste Board meeting
25th of September 2020
Report for decision

Paper
Item No. SWB/20/06/08

Fees and Charges 2021/2022

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Forward Plan Reference:	SWB/20/06/08
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 2021/2022.
Recommendations:	That the Somerset Waste Board agrees to recommend the proposed Charges for introduction from April 2021
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 not subsidising services for which we are allowed to charge.
Financial, Legal and HR Implications:	The increase in charges will continue to reduce the burden on the general Council Taxpayer but continues to provide good value for money to the service user.
Equalities Implications:	The Equalities Impact Assessment process shows that there are some sections of the population who may be impacted by the changes more than others. However, there are strong mitigating

	factors in each case and therefore the impact is marginal and is unlikely to be prejudicial to their access to waste services in Somerset.
Risk Assessment:	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 Tax payer.

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 which ensures that neither a profit nor a subsidy is made.
- 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 2.46%. 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 2021 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 is slightly cheaper than our neighbouring authority average, whereas for asbestos and rubble we are

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 year on year rise in the amount of rubble accepted at the recycling sites whilst the number of total fly tipping incidents countywide (including rubble) has been on the decline, 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

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 will need to base our increased charges for these services on an estimate based on current financial forecasting and historical data. As shown in table 1, a 3% increase is proposed to cover the predicted increase in contractual payments for the 2021/22 period.

1.5. Garden Waste Bins

When we transferred to a new collection contractor in April of this year the planned changes to the garden waste service required re-routing and day changes on day one of the contract. These changes allowed greater optimisation of the resources used in the garden waste service and members took the opportunity to offer customers a reduction in the charges applied last year. However, as a result of this unfortunate timing it is the service which suffered the greatest immediate negative impact from Covid 19. During the initial stages of the current pandemic we took the decision to suspend the Garden Waste Service and to transfer these resources into supporting the core refuse and recycling services. Although not required under the terms and conditions of the garden waste service, compensation was offered to those who suffered loss of service during the suspension. Those impacted by the suspension will receive compensation through a change in the requirement to renew their existing 2019/2020 annual subscription from the 1st of April 2021 until the 10th of May 2021. The cost of providing this extension will form part of the claim by the District partners against the Covid relief fund from Central Government

1.6. As part of the changes to this service customers will no longer be restricted to part year service and new customers joining the service from April 2021 will

receive a twelve-month service from the date payment is received. This will be enabled by SWP taking over payments for all Districts (as has happened this year successfully in Mendip) and being able to benefit from the flexibility a single payments system enables. This was set out in the 2020-25 Business Plan. In the past the renewal date for annual subscriptions was the following 1st of April no matter when in the contract year customers joined.

1.7. Garden Waste Sacks

Sacks continue to decline and account for less than 0.5% of garden waste customers. However, they remain a popular option for those who purchase them and for people who cannot make use of a bin. It is recommended this service continues to be made available and is raised in line with the other collection services as shown in table 1.

1.8. Bulky Waste

The new collection contract has increased the requirement for the contractor to enhance the opportunities for reuse. This has led to an improved environmental service but has increased the contractual costs associated with providing this service.

1.9. In the Fees and Charges paper last year the increased cost of providing this service was considered and charges raised accordingly. It is recommended this year they are increased in line with the other collection charges and are increased by 3% as shown in Table 1

1.10. SWP continue to encourage people to find local reuse outlets for bulky items where possible and appropriate. Whilst it is not possible to compare charges to commercial alternatives (as they often charge by the vanload not by the item), a new national service offered by Biffa would charge £190 for a van load, compared to SWP’s proposed charge of £92.80 for a three-piece suite, fridge and freezer. Quarter (£99) and half (£150) a van load also compares favourably with our proposed charges for next year. The Welsh Government in particular has highlighted that exceptionally low cost offers of bulky waste item removals could be a sign that items may be fly-tipped and suggest a figure of £160 for a van load as a reasonable amount to expect to pay.

1.11. Table 1

Table 1 Fees and Charges		2020-21	2021-22
Item	Unit	Actual Charge	Proposed Charge
Collection Charges (rounded)			
Garden Waste	Garden Bin 1 year	£55.50	£57.20
	sacks pack of 10	£27.50	£28.30

Bulky Waste Collection	1 to 3 items	£60.00	£61.80
	per additional item up to 5	£15.00	£15.50
Asbestos Collection	maximum 16 sheets or 1 tonne	£249.60	£255.70
Commodity charges at Recycling centres (rounded)			
Asbestos	per sheet or sack equivalent	£13.40	£13.70
Plasterboard	per sheet or sack equivalent	£4.50	£4.60
Gas Bottles	>10kg	£6.90	£7.10
	10-20kg	£13.80	£14.10
	Specialist cylinders	£40.50	£41.50
Soil and hardcore	Single carrier bag	No Charge	No Charge
	Rubble sack	£3.90	£4.00
	Small van or Trailer	£20.20	£20.70
	Medium van or trailer	£40.50	£41.50
Tyres	per Unrimmed tyre	£3.90	£4.00
	per rimmed tyre	£5.20	£5.30
	per large (eg lorry type tyre)	£52.20	£53.80

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

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).