



Author/Lead Officer of Report: Alastair Black

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Report of: *Laraine Manley, Executive Director of Place*

Report to: *Cllr Bryan Lodge, Cabinet Member for Environment*

Date of Decision: *10th January 2018*

Subject: *Waste Collection charges for 2018/19*

Is this a Key Decision? If Yes, reason Key Decision:- Yes No

- Expenditure and/or savings over £500,000

- Affects 2 or more Wards

Which Cabinet Member Portfolio does this relate to?
Cllr Bryan Lodge, Cabinet Member for Environment

Which Scrutiny and Policy Development Committee does this relate to?
Economic and Environmental Wellbeing Scrutiny and Policy Development Committee

Has an Equality Impact Assessment (EIA) been undertaken? Yes No

If YES, what EIA reference number has it been given? *872*

Does the report contain confidential or exempt information? Yes No

If YES, give details as to whether the exemption applies to the full report / part of the report and/or appendices and complete below:-

"The (report/appendix) is not for publication because it contains exempt information under Paragraph (insert relevant paragraph number) of Schedule 12A of the Local Government Act 1972 (as amended)."

Purpose of Report:

This report sets out proposed charges where the Council may apply them for waste collection. This includes services provided to charities, non-domestic/ non-commercial premises and commercial establishments in Sheffield, for the 2018/19 financial year. The revised charges will apply from 1st April 2018 and the report recommends increasing charges by 5.0% from the 2017/18 charges to reflect the increased cost to the Council in delivering the service.

Recommendations:

That the Cabinet Member agrees the revised charges in Table 1, paragraph 4.2.2 and Table 3, paragraph 4.2.7

Background Papers:

- Prices for the Collection of Household Waste from Organisations Listed in Schedule 2 of the Controlled Waste Regulations (Band A Report: 20th March 2009)
- Waste Collection Service from 2012/13 (Cabinet: 15th February 2012)
- Waste Collection and Charges from charities and non-domestic/ non-commercial establishments in Sheffield. (Executive Leader Report: 4th March 2013)
- Waste Management Policies (Cabinet Report January 2017)
- Waste Collection charges for 2017/18. (Individual Cabinet Member report: January 2017)

Lead Officer to complete:-	
1	I have consulted the relevant departments in respect of any relevant implications indicated on the Statutory and Council Policy Checklist, and comments have been incorporated / additional forms completed / EIA completed, where required.
	Finance: Alison Chambers
	Legal: Deepak Parmar
	Equalities: Annemarie Johnson
<i>Legal, financial/commercial and equalities implications must be included within the report and the name of the officer consulted must be included above.</i>	
2	EMT member who approved submission: <i>Laraine Manley</i>
3	Cabinet Member consulted: <i>Bryan Lodge</i>
4	I confirm that all necessary approval has been obtained in respect of the implications indicated on the Statutory and Council Policy Checklist and that the report has been approved for submission to the Decision Maker by the EMT member indicated at 2. In addition, any additional forms have been completed and signed off as required at 1.
	Lead Officer Name: <i>Alastair Black</i>
	Job Title: <i>Waste Strategy Officer</i>
Date: 21 st December 2017	

1. PROPOSAL

Background

- 1.1 The Council's duty in relation to the collection and disposal of waste is set out in the Environmental Protection Act 1990. Broadly, waste generated from commercial activity attracts charges for both collection and disposal. Whilst a charge for disposal is not made in the majority of scenarios for household waste, there are a small number of situations where disposal charges also apply.
- 1.2 Establishments such as Places of Worship and premises which are used wholly or mainly for public meetings receive a free collection (limited to 240 litre bin for residual waste and a 140 blue bin and 55 litre blue box for recycling). Where additional waste capacity is requested above the free entitlement, the cost will be deducted from the overall collection charge as detailed in table 1.
- 1.3 Charities are offered a service whereby the cost of collection only is charged (disposal is not charged), see table 1.
- 1.4 Residential hostels providing accommodation to people with no other permanent address or to people unable to live at their permanent address are eligible for waste collection charges only, as per table 1.
- 1.5 Waste from residential homes, hospitals and waste from premises forming part of a school, university or other educational establishment is commercial waste and charges include both collection and disposal costs, as per table 3.
- 1.6 Waste arising from hotels, campsites, domestic properties in the course of a business for the provision of self-catering accommodation and any part of a composite hereditament used for the purposes of a trade or is classified as commercial waste and charges will be made for both collection and disposal of waste as per table 3.

Proposal

- 1.7 The Council proposes to increase its 201 prices by 5.0%, based on October's 2017 Retail Price Index (RIPX), to reflect the increase in cost in providing the service to the Council. There is also an adjustment to Commercial Waste Collection charge due to the increase in disposal costs from Veolia due the price being indexed to Landfill Tax.
- 1.8 The premises will continue to be provided with the recycling service equivalent to that provided to households in the City, free of charge and no disposal charges are being levied.
- 1.9 As per the policy decision taken in 18th January 2017 by the Council's Cabinet, any new or replacement container for general waste will now be chargeable for those premises receiving a collection only charge. The prices are set out below in table 2, recycling containers will continue to be provided free of charge.

2. HOW DOES THIS DECISION CONTRIBUTE ?

- 2.1 The changes recommended in this report contribute to the 'Being an in touch Organisation' and 'Thriving Neighbourhood and Community' priorities identified in the Council's Corporate Plan 2015 – 2018. This is through making the best use of public money to have

the greatest impact for Sheffield.

2.2 The proposed increase means that the cost of the service is being met by those who are using it.

3. HAS THERE BEEN ANY CONSULTATION?

3.1 The Council is not required to consult on this proposal.

4. RISK ANALYSIS AND IMPLICATIONS OF THE DECISION

4.1 Equality of Opportunity Implications

4.1.1 Overall, there are no significant differential, positive or negative, equality implications from this proposal. The revised pricing schedule may have a small negative financial impact on some charities, small businesses and parts of the faith sector that currently use the service. However these organisations are free to use any waste service provider and therefore can explore other service providers who may be cheaper.

4.2 Financial and Commercial Implications

4.2.1 The Authority is permitted to charge reasonable costs for collection. The Council proposes to increase its prices by 5.0%, based on October's 2017 Retail Price Index (RIPX), to reflect the increase in cost in providing the services from last year, including the increased cost to the Council from Veolia who provide the collection service on our behalf. There is also an adjustment to Commercial Waste Collection charges due to the increase in disposal costs from Veolia due the price being indexed to Landfill Tax.

4.2.2 Proposed new collection only charges:
Table 1.

Collection Only Charges						
	2017/18 Charges			2018/19 Proposed Charges		
Black Bin Size	Collection Charge	Administrative Charge	Delivery of Containers to Site	Collection Charge	Administrative Charge	Delivery of Containers to Site
140 litre*	£57.50	£20.66	£10.87	£60.38	£21.70	£11.40
240 litre*	£98.57	£20.66	£10.87	£103.50	£21.70	£11.40
360 litre*	£147.85	£20.66	£10.87	£155.24	£21.70	£11.40
660 litre*	£271.06	£20.66	£54.37	£284.61	£21.70	£57.44
1100 litre*	£451.77	£20.66	£54.37	£474.36	£21.70	£57.44
Additional Recycling Collections						
Additional 140 litre	£28.27	£20.66	£10.87	£29.68	£21.70	£11.40
Additional 660 litre	£271.06	£20.66	£54.37	£284.61	£21.70	£57.44

* 140 blue bin litre bin + 55 litre blue box, free of Charge/ collections are alternate week

4.2.3 The cost of the disposal of waste from organisations where only waste collection charges may be applied will continue to be met by the Council's waste management budget. As per the policy decision taken on 18th January 2017 by the Council's Cabinet, any new or replacement container for general waste will now be chargeable for those premises receiving a collection only charge. The prices are set out below in table 2, recycling containers will continue to be provided free of charge.

4.2.4 The change will see Places of Worship and Charities who currently use the service with the largest container available, an 1100 litre bin, having to pay an extra £22.59 a year or 87p per collection. However the largest number of containers provided through the service, a 360 litre bin, will see an increased cost of £7.39 per year or an extra 29p per collection. It should be noted that these organisations are free to use any waste service provider and therefore can explore other service providers who may be cheaper.

4.2.5 Container charges for new or replacement bins:
Table 2.

Container size	New/Replacement Bin cost
140	£20.00
240	£20.00
360	£20.00
660	£110.00
1100	£183.33

4.2.6 The rates for a commercial waste collection service provided through the Council are shown in the table below. The service will continue to be provided by Veolia Environmental Services on behalf of the Council. The collection charge as been increased to reflect the 5.0% increase as well as the increase in disposal cost which is linked to landfill tax.

4.2.7 Commercial charges for weekly collections, including collection and disposal:
Table 3.

Commercial Waste Charges								
	2017 charges				Proposed 2018 charges			
Black Bin Size	Collection Charges	Annual Bin Rental per Unit	Delivery of Containers to Site	Administrative Charge	Collection Charges	Annual Bin Rental per Unit	Delivery of Containers to Site	Administrative Charge
240 litre	£340.96	£19.48	£10.82	£20.56	£377.30	£20.45	£11.40	£21.70
360 litre	£466.43	£24.89	£10.82	£20.56	£525.90	£26.13	£11.40	£21.70
660 litre	£653.80	£55.18	£54.10	£20.56	£736.63	£57.93	£57.44	£21.70
1100 litre	£851.29	£91.97	£54.10	£20.56	£920.34	£96.56	£57.44	£21.70
Recycling Collections*								
140 litre	£185.57	£16.23	£10.82	n/a	£194.85	£17.04	£11.40	n/a
660 litre	£558.21	£55.18	£54.10	n/a	£586.12	£57.93	£57.44	n/a

*Recycling service is not optional. All sites must include at least one recycling container. The Authority reserves the right to designate containers to be used per site. Commercial services are a weekly collection rate.

4.2.8 All income from waste collection only and commercial waste charges will continue to be held in the Waste Management budget.

4.2.9 Where an organisation decides that it no longer wishes to use the service or fails to pay for the service then the Council will stop collections and remove the containers provided. Where applicable, the Council will continue to provide a free 240 litre bin for residual waste and a 140 blue bin and 55 litre blue box for recycling as per 1.2.

4.3 Legal Implications

- 4.3.1 The Controlled Waste (England and Wales) Regulations 2012 provide clarity on where charges may be applied for handling waste arising from different establishments.
- 4.3.2 This service allows the Council to discharge its duties under the Environmental Protection Act 1990 and the Controlled Waste (England and Wales) Regulations 2012 while recovering its costs of providing the services where it is able to do so.

4.4 Other Implications

- 4.4.1 The increase in charges applied for collection will mean the costs of providing the services are recovered from those services, organisations and individuals that choose to use the Council for waste collections.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 The Council could continue to charge at the same rate and absorb the difference between the incomes received and cost of the services. However, reductions in other services would be necessary to ensure the Council can balance its budget.
- 5.2 Customers have the choice to use another waste collection service.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The charges made by the Council reflect the costs it incurs through its Waste Management Contract with Veolia. These costs increase year by year, as per the contract, in line with the Retail Price Index (RPIX). If the Council didn't adjust its prices to reflect this cost then it would have to fund the difference between the income it receives and the cost it incurs in delivering the service. The Council has therefore increased its prices by 5%, plus the increase in disposal costs linked to Landfill tax for its Commercial price, to enable it to communicate its 2018/19 prices to its customers in advance of the invoices being sent out. This allows for the service to be removed before 1st April 2018 where the customer no longer wishes to receive the service.