

SUBJECT	Waste income charges
DIRECTORATE:	Operations / Waste & Street Services
MEETING:	Individual Cabinet Member Decision
DATE:	1 st February 2017
DIVISION/WARDS AFFECTED:	All

PURPOSE:

1. To seek approval to align waste income projections to the medium term financial plan and Fees and Charges proposals.

RECOMMENDATIONS:

2. That the Cabinet Member agrees:
 - 2.1 for the garden waste charge to increase to £18 per bag.
 - 2.2 that all future increases are included within the Fees and Charges process
 - 2.3 to the removal of waste disposal exemptions from schools and school catering.

BACKGROUND:

3. Waste and Street Services are able to recover reasonable costs for several waste streams and rely on this income generation to deliver budget savings and maintain a high quality waste service. In line with the Income Generation strategy the service has previously reviewed what it is able to charge for, to reduce baseline budgets and ensure that income is maximised to contribute to core cost of service delivery.
 - 3.1 There is no statutory duty to collect garden waste and the council began charging for this service in 2013. The Council can recover all reasonable costs associated with the collection of this material but cannot charge for the treatment.
 - 3.3 Changes in legislation in 2011 meant that many establishments that had previously been exempt from disposal charges were no longer subsidised by the domestic waste collection budget. In a Cabinet Report in 2015 it was agreed that the exemptions would be removed on all premises except schools. The schools would receive free recycling services and Waste and Street Services would work with schools to reduce the residual waste.

KEY ISSUES

4. As part of the recycling review and in an attempt to reduce treatment costs of garden and food waste these materials will be collected separately from 2017. The review proposals and service planning and route optimisation have allowed us to identify the actual collection costs of

delivering the garden waste service to the 12,000 customers who purchase this service of £340,000. The modelling has demonstrated that if the cost of the service increases to £18 per bag then the garden waste service will virtually become self-financing. It is appreciated that this is a significant increase – double to the increases in previous years, but due to the need for the Council to once again deliver significant savings in 2017/18 it has been deemed preferable to increase the charge exponentially. Previously there have been concerns over the ability to pay and the impact of the charge on low income families. This is mitigated through the ability to use the Household Waste Recycling Centres free of charge or MCC promotes home composting to help householders manage their garden waste. When looked at on an annual basis £18 can be seen as affordable as amounts to 36p per week.

- 4.1 The trade waste charges increases have historically been captured within the fees and charges report. As part of the Councils aspiration to strengthen our customer base and grow this income generation opportunity the charges have remained largely static.
- 4.2 Our charges remain at the upper end of the commercial waste collection market but with a high quality service, reliability and additional benefits of working with Monmouthshire we believe these charges still offer good value for money.
- 4.3 To continue to grow the commercial waste customer base it is important that all our customers, both internal and external, are charged equally to cover the costs of the service. All other Council departments cover the full cost for their waste service and therefore on the principles of fairness and parity it is deemed suitable for schools to have the same charge.

FINANCIAL IMPLICATIONS:

5. The additional charges for garden waste collections will allow the service to be delivered at little cost to the Authority with current cross subsidy being used to meet the 2017 budgets savings proposals. It is anticipated that an increase of £4 per bag will see the garden waste income increase by £50,000. This figure includes an assumption that some customers will divert to the HWRCs, although data from 2013-2016 has not shown a decrease in customer numbers so this may well prove a conservative figure which will be monitored closely through the revenue budget monitoring process.
- 5.1 It is anticipated that the waste disposal charge on schools and schools catering will deliver an additional £30,000 of income. The majority of schools will see an annual increase of £300 per year. Officers will work with schools to reduce costs for W&SS and the schools as recycling is far cheaper than waste disposal.

Safeguarding

- 6.1 There are no safeguarding implications from this report

Consultees

- 7.1 Officers provided a briefing document for Education colleagues to share with Head Teachers at a recent forum meeting. Whilst there was disappointment in the proposed increase there was understanding that they had benefitted from the exemption compared to other public bodies, and appreciated the need to align producer responsibility/waste creation costs with their

expenditure. A commitment has also been made for the service to continue to work closely with Schools on their education and eco-programmes and help them look at how they can reduce residual waste to contain costs.

Sustainable Development & Equalities Implications

6. Covered through Well-being and Future Generations Assessment

Background Papers

7. As referred to in the main body of the report.

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Well-being and Future Generations Assessment

<p>Name of the Officer Carl Touhig</p> <p>Phone no: 07580 362 121</p> <p>E-mail: carltouhig@monmouthshire.gov.uk</p>	<p>Please give a brief description of the aims of the proposal</p> <p>To agree the charging structure for garden waste and the removal of existing waste disposal charges exemptions</p>
<p>Name of Service</p> <p>Waste & Street Services</p>	<p>Date Future Generations Evaluation Annual</p>



1. Does your proposal deliver any of the well-being goals below? Please explain the impact (positive and negative) you expect, together with suggestions of how to mitigate negative impacts or better contribute to the goal.




Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
<p>A prosperous Wales</p> <p>Efficient use of resources, skilled, educated people, generates wealth, provides jobs</p>	<p>Ensuring that waste income generation opportunities are captured to allow the continued investment in delivering high quality services and employment opportunities.</p>	<p>Ensuring that the producer of the waste contributes fairly to the costs and allow commercial operators to deliver services on a level playing field.</p>
<p>A resilient Wales</p> <p>Maintain and enhance biodiversity and ecosystems that support resilience and</p>	<p>N/A</p>	<p>n/a</p>

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
can adapt to change (e.g. climate change)		
A healthier Wales People's physical and mental wellbeing is maximized and health impacts are understood	N/A	n/A
A Wales of cohesive communities Communities are attractive, viable, safe and well connected	Waste costs are met by the producer of the waste and services are delivered with equity.	
A globally responsible Wales Taking account of impact on global well-being when considering local social, economic and environmental wellbeing	WG promote the charging of garden waste as part of the collections blueprint and the changes to the waste exemptions were introduced to ensure commercial waste activities were delivered equitably and allowed commercial waste industry to operate equally with local authorities	Continue to provide waste recycling to schools to reduce their waste disposal costs and encourage the next generation of recyclers to reduce their waste.
A Wales of vibrant culture and thriving Welsh language Culture, heritage and Welsh language are promoted and protected. People	neutral	neutral

Well Being Goal	How does the proposal contribute to this goal? (positive and negative)	What actions have been/will be taken to mitigate any negative impacts or better contribute to positive impacts?
are encouraged to do sport, art and recreation		
A more equal Wales People can fulfil their potential no matter what their background or circumstances	neutral	neutral

2. How has your proposal embedded and prioritised the sustainable governance principles in its development?

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Long-term Balancing short term need with long term and planning for the future</p>	Ensuring producers of waste meet the costs of collecting, treating and disposal of that material will reinforce the producer pays principals.	Making charges fair and equitable
 <p>Collaboration Working together with other partners to deliver objectives</p>	Working with schools to increase recycling to help reduce their residual waste costs and not encouraging residual waste disposal by cross subsidising true costs.	

Sustainable Development Principle	How does your proposal demonstrate you have met this principle?	What has been done to better to meet this principle?
 <p>Involvement</p> <p>Involving those with an interest and seeking their views</p>	<p>Engaging with customers, providing alternative services to reduce costs.</p>	
 <p>Prevention</p> <p>Putting resources into preventing problems occurring or getting worse</p>	<p>neutral</p>	<p>neutral</p>
 <p>Integration</p> <p>Positively impacting on people, economy and environment and trying to benefit all three</p>	<p>The principles of Polluter Pays are well established as one of the bedrocks of sustainable waste management and charging the true costs of collections, treatment and disposal ensures the waste hierarchy is followed more closely.</p>	<p>Allowing commercial operators to provide services on a level playing field increases competition and drives innovation.</p>

3. Are your proposals going to affect any people or groups of people with protected characteristics? Please explain the impact, the evidence you have used and any action you are taking below.

Protected Characteristics	Describe any positive impacts your proposal has on the protected characteristic	Describe any negative impacts your proposal has on the protected characteristic	What has been/will be done to mitigate any negative impacts or better contribute to positive impacts?
Age	The proposal does not have an impact on protected characteristics of individuals.		
Disability			
Gender reassignment			
Marriage or civil partnership			
Race			
Religion or Belief			
Sex			
Sexual Orientation			
Welsh Language			

4. **Council has agreed the need to consider the impact its decisions has on important responsibilities of Corporate Parenting and safeguarding. Are your proposals going to affect either of these responsibilities?** For more information please see the guidance note <http://hub/corporatedocs/Democratic%20Services/Equality%20impact%20assessment%20and%20safeguarding.docx> and for more on Monmouthshire’s Corporate Parenting Strategy see <http://hub/corporatedocs/SitePages/Corporate%20Parenting%20Strategy.aspx>

	Describe any positive impacts your proposal has on safeguarding and corporate parenting	Describe any negative impacts your proposal has on safeguarding and corporate parenting	What will you do/ have you done to mitigate any negative impacts or better contribute to positive impacts?
Safeguarding	Like 4 above, the proposals do not affect individuals and thereby do not affect or impact on the Council’s corporate parenting and safeguarding duties.		
Corporate Parenting			

5. **What evidence and data has informed the development of your proposal?**

The need to cover the costs of non-statutory services and reduce cross-subsidy of commercial waste services.

6. SUMMARY: As a result of completing this form, what are the main positive and negative impacts of your proposal, how have they informed/changed the development of the proposal so far and what will you be doing in future?

In completing the form it has enabled a better understanding of the benefits.

7. Actions. As a result of completing this form are there any further actions you will be undertaking? Please detail them below, if applicable.

What are you going to do	When are you going to do it?	Who is responsible	Progress

8. Monitoring: The impacts of this proposal will need to be monitored and reviewed. Please specify the date at which you will evaluate the impact, and where you will report the results of the review.

The impacts of this proposal will be evaluated on:	Annually through SIP
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Signed Carl Touhig Designation Recycling Strategy & Business Manager