

ANGUS COUNCIL

COMMUNITIES COMMITTEE – 17 NOVEMBER 2015

REVIEW OF COMMERCIAL WASTE SERVICES AND CHARGES

REPORT BY STRATEGIC DIRECTOR - COMMUNITIES

ABSTRACT

This report brings forward proposals for adjusting charges levied by the Council for the collection and disposal of commercial wastes.

1. RECOMMENDATION

1.1 It is recommended that the Committee agrees to:

- (i) the application of reviewed charges for 2016/17, as detailed in **Appendix 1**.

2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

This report contributes to the following local outcome contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Our communities are developed in a sustainable manner.

3. BACKGROUND

Existing collection services

3.1 The Council currently offers the following commercial waste services:

Materials collected	Receptacle	Frequency of collection	Availability
Paper, cans, plastics, glass and cardboard	Materials co-mingled in wheeled bin	Fortnightly	In all but the most rural locations
Glass (clear, green & brown)	Separate bins for each colour	Weekly	In all but the most rural locations
Cardboard	Flat-pack or option of a wheeled bin	Weekly	Towns only
Food waste	Wheeled bin	Weekly	In all but the most rural locations
General waste	Wheeled bin	Weekly in towns, fortnightly in rural locations	Full coverage across whole council area

Current statutory requirements

3.2 The Council, as the waste collection authority under the Environmental Protection Act 1990, has a duty to collect commercial and industrial wastes where requested to do so by premises in Angus.

- 3.3 The Act requires the Council to recover reasonable costs for both the collection and disposal of waste from a commercial or industrial premise.
- 3.4 In some cases the Council is only permitted to recover the cost of collection (and not disposal) from a premise, for example, residential homes, schools, or hospitals may only be charged for collection.
- 3.5 The Waste (Scotland) Regulations 2012 introduced a mandatory requirement for businesses to present key recyclable materials and food waste for separate collection i.e. businesses are now legally required to recycle their waste.
- 3.6 The provisions of the regulations that are relevant to the Council's commercial waste customers are listed below.

From 1 January 2014:

- Businesses must take all reasonable steps to ensure the separate collection of metal, plastic, glass, paper and card.
- Businesses (except in rural areas) which produce over 50kg of food waste per week must take all reasonable steps to ensure that their food waste is collected separately.

From 1 January 2016:

- Businesses (except in rural areas) which produce over 5kg of food waste per week must take all reasonable steps to ensure that their food waste is collected separately.
 - Businesses (except in rural areas) may not deposit food waste in a public sewer, meaning the use of macerators will no longer be permitted.
- 3.7 With regard to food waste collections, businesses in Angus towns only are required to have a separate collection, as for the purposes of the regulations all other locations (with the exception of Barry), have been termed by Scottish Government as rural and are thus exempt from the requirements of the regulations.
- 3.8 The requirement for businesses to recycle key dry recyclables and food waste (where applicable) is jointly enforced by local authorities and SEPA.

Commercial waste charging – exempt groups

- 3.9 The Environmental & Consumer Protection Committee agreed (Report No. 613/02) that charity, voluntary and youth groups should have a single bin collected without charge, and where additional containers are required, uplifts would be charged for.
- 3.10 Report 613/02, approved by the Environmental and Consumer Protection Committee of 28 May 2002 (Article 10 refers), referred to exempt groups receiving a similar service to households and at the time of this report households received a once weekly collection of a 240 litre general waste bin. The current household service will now be applied for exempt groups who will be offered free of charge waste and recycling collections on the same basis as households in their area i.e. fortnightly collection of a 140 litre general waste bin and a 240 litre recycling bin, plus garden and food waste collections where applicable.
- 3.11 Where an exempt group wishes to receive weekly general waste collections or make use of a larger bin, collections would be charged at the current commercial waste rate.

- 3.12 Where a number of exempt groups share premises, each group would be entitled to the collections outlined in 3.11.

Charging system

- 3.13 The commercial collection system is based on the use of differing sized wheeled bins. All bins are charged per uplift to reflect the variable frequency of collection days on offer. A sack system is provided as an alternative only in approved situations.
- 3.14 Charges are based on an annual service beginning in April each year, payable either in full in advance, or by monthly direct debit.

4. PROPOSALS

- 4.1 The proposed new charges for commercial waste services for 2016/17 are detailed in **Appendix 1**.
- 4.2 The proposed new charges reflect the total costs to the council for collection, processing and disposal of waste and recyclables. A base increase of 2.5% has been applied to both disposal and collection costs across all services. The disposal costs for general waste take into account the landfill tax element and the expected increase from £82.60/tonne to £84.40/tonne from 1 April 2016. The revised charges have been rounded up to the nearest 10p in line with normal Council budget setting practice and, therefore, the actual percentage change will vary on individual charges.

5. RISKS

- 5.1 There is the risk that the council may not be able to maintain its current market share due to increased costs for customers and competition from the private sector. A reduction in the customer base would lead to less income.

6. FINANCIAL IMPLICATIONS

- 6.1 The proposed charges for general waste collection are based on full cost recovery and have to be taken in the context of any increases in waste collection and disposal costs, such as landfill tax.
- 6.2 It is estimated that as a result of the proposed increases in charges, the additional income to the Council from commercial wastes in 2016/17 will be as tabled below. This additional income will off-set increased costs associated with service provision.

Service	Estimated additional income
Recycling	£500
Food waste	£4,000
Glass	£500
General waste	£20,000

- 6.3 The 2016/17 revenue budget is likely to be finalised in the expectation that the above income would be realised. It should be noted, however, that changes to the customer base will be inevitable and will have an impact on the actual income realised.

7. CONCLUSION

- 7.1 The proposed new commercial waste charges reflect increased costs associated with delivery of the service and enable the recovery of reasonable costs for the collection and disposal of waste from commercial premises.

CONTACT: Alan McKeown, Strategic Director - Communities
EMAIL DETAILS: CommunitiesBusinessSupport@angus.gov.uk

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

- Report No. 613/02

Appendix 1 – Commercial Waste Charges for 2016/17

Proposed charges for co-mingled recycling collections for non-general waste customers

Recycling bin per uplift (charge for collection and disposal)		
Size of bin (litres)	Proposed charge	Current charge
1280	£3.40	£3.30
1100	£3.10	£3.00
660	£2.50	£2.40
360	£2.10	£2.00
240	£2.00	£1.90
140	£2.00	£1.90

Recycling bin per uplift (charge for collection only)*		
Size of bin (litres)	Proposed charge	Current charge
Any sized bin	£1.60	£1.50

* The Council is only permitted to recover the cost of collection (and not disposal) from certain premises, for example schools and hospitals.

Proposed charges for co-mingled recycling collections for general waste customers**

Recycling bin per uplift		
Size of bin (litres)	Proposed charge	Current charge
1280	£1.80	£1.70
1100	£1.60	£1.50
660	£1.00	£0.90
360	£0.60	£0.50
240	£0.50	£0.40
140	£0.50	£0.40

** Charges apply only to those customers who contract the Council for general waste collection, including premises where the Council is only permitted to recover the cost of collection.

Proposed charges for food waste collections for 2016/17

Food waste bin per uplift (charge for collection and disposal)		
Size of bin (litres)	Proposed charge	Current charge
140	£5.80	£5.60
23	£2.30	£2.20

Food waste bin per uplift (charge for collection only)		
Size of bin (litres)	Proposed charge	Current charge
140	£3.30	£3.20
23	£1.80	£1.70

Proposed charges for glass collections for 2016/17

Glass bins charged per bin per annum		
Size of bin (litres)	Proposed charge	Current charge
240	£31.60	£30.80

Proposed charges for general waste collections for 2016/17

General waste container per uplift (charge for collection and disposal)		
Size of bin (litres)	Proposed charge	Current charge
1280	£20.80	£20.20
1100	£17.90	£17.40
660	£11.30	£11.00
360	£6.30	£6.10
240	£4.20	£4.10
140	£4.20	£4.10
Sacks	£2.40	£2.30

General waste container per uplift (collection only)		
Size of bin (litres)	Proposed charge	Current charge
1280	£13.30	£12.90
1100	£11.40	£11.10
660	£6.80	£6.60
360	£3.80	£3.70
240	£2.70	£2.60
Sacks	£1.80	£1.70