

CABINET MEMBER FOR WASTE AND EMERGENCY PLANNING

Venue: **Town Hall, Moorgate Street, ROTHERHAM.** **S60 2TH** **Date:** **Monday, 19th March, 2012**
Time: **9.30 a.m.**

A G E N D A

1. To determine if the following matters are likely to be considered under the categories suggested, in accordance with Part 1 of Schedule 12A (as amended March 2006) to the Local Government Act 1972.
2. To determine any item which the Chairman is of the opinion should be considered later in the agenda as a matter of urgency.
3. Minutes of the Previous Meetings:-
 - Cabinet Member for Waste and Emergency Planning held 23rd January, 2012.
 - Cabinet Member for Waste and Emergency Planning held 6th February, 2012.

For signature by the Cabinet Member.

(See White Book – Minutes presented to Council on 7th March, 2012)

4. Emergency Planning Update (Officers to report)
5. Waste Update (Officers to report)
6. Commercial Waste Collection: Price Review 2012/13 (report herewith) (Pages 1 - 6)
 - Adrian Gabriel, Waste Manager, to report.

ROOTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member For Waste and Emergency Planning
2.	Date:	19th March 2012
3.	Title:	Commercial Waste Collection: Price Review 2012/13
4.	Programme Area:	Environment and Development Services

5. Summary

This report outlines the prices to be charged to customers for the collection and disposal of commercial waste with effect from 1st April 2012. The price increase covers the increases in the RPI (Retail Price Index) and Landfill Tax. It is proposed a 5% increase be implemented.

6. Recommendations

CABINET MEMBER FOR WASTE AND EMBERGENCY PLANNING IS REQUESTED TO APPROVE:-

THE PROPOSED CHARGING STRUCTURE FOR COLLECTION OF COMMERCIAL WASTE FOR IMPLEMENTATION FROM 1st APRIL 2012.

7. Proposals and Details

Consideration has to be given to recovering our actual costs of operating the service whilst continuing to provide as wide a range of services as possible to meet customer requirements and comply with the duty imposed upon the Council by legislation.

The council's charges for commercial waste are the highest amongst neighbouring authorities therefore, in proposing the new rates, efforts have been made to keep the increase to a minimum. **It is proposed to increase the general scale of charges for Commercial Waste Collection by 5% (as shown in Appendix 1).** This increase covers inflation and the additional waste disposal costs resulting from the increase in Landfill Tax by £8 per tonne with effect from 1st April 2012.

In order to enable the business to capture additional market share, it is also proposed to adopt the principle of flexible charging for larger value contracts, or those covering a period longer than 1 year and to authorise officers to negotiate contracts on this basis.

Each year a minority of customers fail to pay their accounts on time. This leads us to suspending collections and eventually terminating their agreement. At this stage the customer sometimes pays their bill and requests the agreement be reinstated. This incurs the Council with extra costs through additional administrative time and bin collection and delivery charges. **To persuade customers to pay on time and to cover our additional costs if we are asked to reinstate previously terminated agreements for non payment we intend to continue to levy a reinstatement fee:**

**£44.00 for agreements up to 360 litre wheeled bins (previously £42.00)
£98.00 for agreements above 360 litre wheeled bins (previously £93.00)**

The customer will have to pay this reinstatement fee and any outstanding debt in full before the agreement is restarted, and the service resumed.

In previous years a discounted scale of charges has been offered to charities, in accordance with the Controlled Waste Regulations 1992 which currently allow the Council to only raise a charge for the cost of collecting their waste but not for its disposal. Following a Government review of these Regulations, the legal framework is to be changed with the revised Regulations coming into force with effect from 6th April 2012. This revision means that Councils will be allowed to recover both the cost of collection and disposal from charities. In reviewing these charges we have anticipated this change and **propose that, with effect from April 2012, Charitable Organisations are charged using the same scale of charges (as shown in Appendix 1).**

It is proposed to increase the scale of charges for RMBC Internal Premises by 5% overall (as shown in Appendix 2).

8. Finance

The revised charges are designed to cover the increases in general inflation and Landfill Tax. The Council's Commercial Waste Collection Service is "Outside the Scope" of Value Added Tax (VAT).

9. Risks and Uncertainties

The Commercial Waste Collection Service operates in a very well-developed private sector market and demand is therefore price sensitive. Therefore, any increase in charges above the rate of inflation will potentially affect demand for the service and risk losing business to competitors.

The element of price increase due to the higher rate of Landfill Tax imposed by the Government will be incurred by all our competitors who use landfill as a means of disposal.

A benchmarking exercise has been undertaken covering other local authorities to review a direct comparison of costs for similar service delivery (Appendix 3).

10. Policy and Performance Agenda Implications

The Commercial Waste Collection Service is available to all businesses within our community.

The provision of advice on commercial waste recycling and waste minimisation opportunities is focussed upon reducing our input to landfill. This directs the service towards achieving the Rotherham Vision of Improving the Environment.

Any Commercial Waste that is not sent to landfill will contribute towards achieving our targets under the Waste Emissions Trading Bill (LATS) for diverting biodegradable waste away from landfill.

11. Background Paper and Consultation

The Commercial Waste Collection Service operates in the open market with competition from private sector companies.

APPENDIX 1 - Proposed Scale of Charges for Commercial Waste Collection 2012/13.

APPENDIX 2 – Proposed Scale of Charges for Collection from RMBC Internal Premises – 2012/13.

APPENDIX 3 – Commercial Waste Collection Service – Benchmarking Information.

Contact Name: Adrian Gabriel, Waste Manager, Telephone Ext 22100
e-mail: adrian.gabriel@rotherham.gov.uk

COMMERCIAL WASTE COLLECTION
PROPOSED SCALE OF CHARGES WITH EFFECT FROM 1ST APRIL 2012

Contract Type	Container Size (Litres)		Collection Point	Proposed Total Annual Charge Including Hire	Previous Total Annual Charge Including Hire	% Change (excluding VAT)
*** small bin or *** sack equiv.	90		Premise/Bin Store	£226.30	£215.52	5.00%
	90	@Bulk site	Premise/Bin Store	£133.47	£127.11	5.00%
240A	240	First Bin	Kerbside	£333.55	£317.67	5.00%
240A	240	Additional Bin	Kerbside	£223.84	£213.18	5.00%
240B	240	First Bin	Premise/Bin Store	£383.50	£365.24	5.00%
240B	240	Additional Bin	Premise/Bin Store	£273.90	£260.86	5.00%
360A	360	First Bin	Kerbside	£395.55	£376.71	5.00%
360A	360	Additional Bin	Kerbside	£285.73	£272.12	5.00%
360B	360	First Bin	Premise/Bin Store	£445.24	£424.04	5.00%
360B	360	Additional Bin	Premise/Bin Store	£335.84	£319.85	5.00%
660	660	First Bin	Premise/Bin Store or kerbside	£871.67	£830.16	5.00%
660	660	Additional Bin	Premise/Bin Store or kerbside	£762.24	£725.94	5.00%
1100	1100	First Bin	Premise/Bin Store	£992.70	£945.43	5.00%
1100	1100	Additional Bin	Premise/Bin Store	£883.93	£841.84	5.00%

*** Denotes container provided by the customer

Any larger quantities of Commercial Waste will be charged per LOAD

Reinstatement Fees will apply for Agreements resumed after cancellation for non payment.

Commercial Waste accounts are payable in advance, following receipt of an invoice.

ROTHERHAM METROPOLITAN BOROUGH COUNCIL
Environment and Development Services
Waste Management

APPENDIX 2

COMMERCIAL WASTE COLLECTION - RMBC INTERNAL PREMISES
PROPOSED SCALE OF CHARGES WITH EFFECT FROM 1ST APRIL 2012

Contract Type	Container Size (Litres)		Collection Point	Proposed Total Annual Charge Including Hire	Previous Total Annual Charge Including Hire	% Change (excluding VAT)
*** small bin or *** sack equiv.	90 90	@Bulk site	Premise/Bin Store Premise/Bin Store	£192.58 £113.59	£183.41 £108.18	5.00% 5.00%
240A 240A 240B 240B	240 240 240 240	First Bin Additional Bin First Bin Additional Bin	Kerbside Kerbside Premise/Bin Store Premise/Bin Store	£283.87 £190.50 £326.39 £233.11	£270.35 £181.43 £310.85 £222.01	5.00% 5.00% 5.00% 5.00%
360A 360A 360B 360B	360 360 360 360	First Bin Additional Bin First Bin Additional Bin	Kerbside Kerbside Premise/Bin Store Premise/Bin Store	£336.63 £243.17 £378.92 £285.83	£320.60 £231.59 £360.88 £272.22	5.00% 5.00% 5.00% 5.00%
660 660	660 660	First Bin Additional Bin	Premise/Bin Store or kerbside Premise/Bin Store or kerbside	£741.84 £648.71	£706.51 £617.82	5.00% 5.00%
1100 1100	1100 1100	First Bin Additional Bin	Premise/Bin Store Premise/Bin Store	£844.85 £752.28	£804.62 £716.46	5.00% 5.00%

*** Denotes container provided by the customer

Any larger quantities of Commercial Waste will be charged per LOAD
Reinstatement Fees will apply for Agreements resumed after cancellation for non payment.
Commercial Waste accounts are payable in advance, following receipt of an invoice.

APPENDIX 3

**ROOTHERHAM METROPOLITAN BOROUGH COUNCIL
ENVIRONMENT AND DEVELOPMENT SERVICES****COMMERCIAL WASTE COLLECTION SERVICE - BENCHMARKING**

AUTHORITY	240 Litre (per annum)	1100 Litre (per annum)
Barnsley MBC 2011 / 2012	£263.64	£762.84
Rotherham MBC 2011 / 2012	£317.67	£945.43
Doncaster MBC 2011 / 2012	£144.00	£463.32
Ashfield District Council 2011 / 2012	£270.40	£873.60
Amber Valley Borough Council 2011 / 2012	£284.71	£755.92
Chesterfield Borough Council 2011 / 2012	£239.70	£691.00