

ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:	Cabinet Member for Safe and Attractive Neighbourhoods
2.	Date:	4th April, 2011
3.	Title:	Commercial Waste Collection: Price Review 2011/12
4.	Programme Area:	Environment and Development Services

5. Summary

This report outlines the proposed charges for the collection and disposal of commercial waste with effect from 1st April 2011. The charges enable the council to achieve the income target set for the 2011/12 budget.

6. Recommendations

6.1 CABINET MEMBER FOR SAFE AND ATTRACTIVE NEIGHBOURHOOD IS REQUESTED TO APPROVE:

- A). THE PROPOSED CHARGES FOR IMPLEMENTATION FROM 1ST APRIL 2011.**

7. Proposals and Details

- 7.1 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.
- 7.2 **It is proposed to increase the scale of charges for Commercial Waste Collection by 4% overall** (as shown in Appendix 1). This increase accommodates cost of living rises and incorporates the additional waste disposal costs resulting from the Government's further £8 per tonne on Landfill Tax, with effect from 1st. April 2011.
- 7.3 Each year a minority of customers fail to pay their accounts on time. This can lead to suspension of collections and eventually termination of the service 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 reinstate previously terminated agreements (for non payment) it is proposed that the following fees are charged:

£42.00 for agreements up to 360 litre wheeled bins (previously £37.00)
£93.00 for agreements above 360 litre wheeled bins (previously £88.00)

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

- 7.4 **It is proposed that the prices charged for the collection of waste from charities is increased by this be as above an increase of 4% in line with RPI.** The proposed revised scale of charges for the collection of waste from charities is shown in Appendix 2. These charges are in accordance with the Controlled Waste Regulations 1992 which allow the Council to raise a charge for the collection of charity waste but not for its disposal. The present and proposed charges do not take into consideration recent consultation on the Controlled Waste Regulations which will adopt the "producer pays principle" from 1st April 2012. This will make charities responsible for collection and disposal costs from this date.

8. Finance

- 8.1 The proposed charges cover inflation, the increase in landfill tax of £8 per tonne from April 2011 and the income targets set in the 2011/12 budget.

9. Risks and Uncertainties

- 9.1 Demand for the Commercial Waste Collection Service is price sensitive therefore any increase in price significantly above the rate of inflation will seriously affect demand for the service and risk losing business to competitors.

- 9.2** 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.
- 9.3** 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

- 10.1** The Commercial Waste Collection Service is available to all businesses within our community.
- 10.2** 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 strategic objective to deliver a long term approach to waste and recycling to minimise the need for waste disposal, which in turn contributes to the delivery of the Corporate Priority "Rotherham Safe".
- 10.3** Statutory recycling targets are based upon household waste only and therefore, the recycling of commercial waste does not count towards these targets. However, any commercial waste that is not sent to landfill will contribute towards achieving our targets under the Waste Emissions Trading Bill for diverting biodegradable waste away from landfill.

11. Background Papers and Consultation

- 11.1** The Commercial Waste Collection Service operates in the open market with competition from private sector companies.
- 11.2** APPENDIX 1 – Proposed Scale of Charges for Commercial Waste Collection –2011/12
- 11.3** APPENDIX 2 – Proposed Scale of Charges for Charitable Waste Collection – 2011/12
- 11.4** APPENDIX 3 – Commercial Waste Collection Service – Benchmarking information.

Contact Name: Belinda Travis, Waste Collection Manager, Telephone Ext. 3049,
E-mail: belinda.travis@rotherham.gov.uk