

ROTHERHAM BOROUGH COUNCIL - REPORT TO MEMBERS

1.	Meeting:	Cabinet Member and Advisers for Planning, Highways and Street Scene Services
2.	Date:	Monday 1st September 2014
3.	Title:	Review of the Council's Cesspool and Septic Tank Emptying Charges All Wards
4.	Directorate:	Environment and Development Services

5. Summary

The Council's cesspool and septic tank emptying charges were last adjusted in October 2011. An increase in costs is required to meet the gradual increased work, vehicle and fuel costs, and the Water Companies waste disposal charges, and to ensure that the service to customers remains viable.

6. Recommendations

It is recommended that the Cabinet Member resolve that:

- 6.1 The proposed increases in charges to existing cesspool and septic tank rates outlined in Appendix 1 below are adopted from the 1st October 2014, and the appropriate letters be forwarded to the customers informing them of the increase in cesspool and septic tank emptying and disposal charges.**

7. Proposals and details

Cabinet member approved the previous increase in cesspool and septic tank emptying charges on the 30th August 2011. The Council is proposing to raise its charges to meet the continuing increase in the Water Companies' waste water treatment charges, fuel and vehicle costs, and to ensure that the service to customers remains viable.

The Council provides an existing cesspool and septic tank emptying service to approximately 700 customers in Rotherham. It is proposed that the cesspool and septic tank emptying charges should increase with effect from the 1st October 2014, and that all charges will be reviewed annually thereafter. Letters will be sent to existing customers informing them of the increase in charges.

The Council's proposed implementation of cesspool and septic tank emptying charges would enable the Council to recover the full costs incurred in providing the service without adversely affecting the service the Council currently offers to its customers.

8. Finance

In 2013/14 the Council incurred £1,000 deficit for providing the service to existing customers for emptying cesspool and septic tanks.

If the proposed increase in cesspool and septic tank emptying charges are implemented on 1st October 2014, it is anticipated that this will generate an annual income of approximately £1,500 based on majority of customers requesting their cesspools and septic tanks to be emptied, which means the service is just above the Council's running cost.

The Council's costs are based on an average visit for the emptying and disposal of cesspools and septic tanks, and are detailed in Appendix 1 (Tables 1 and 2). Charges will vary subject to the strength of waste water to be treated and the number of visits required. Since 2011 there has been an average increase of 33% in Yorkshire Water treatment charges compared with Severn Trent Water Limited average increase in charges of 7%.

A comparison of the Council's proposed cesspool & septic tank total charges (i.e. from 1st October 2014), and the external contractor's rates for 2014, including the Water Companies' disposal charges are detailed in Appendix 2 (Tables 3 and 4). The rates shown in these tables indicate that the Council's proposed rates are still below the three external contractors' rates; the Council's proposed rates are approximately 2.5% lower than the lowest contractor's rate and approximately 48.5% lower than the highest contractor's rates.

Please note any requirements for additional revenue funding are not reflected in the current medium term financial strategy.

9. Risks and Uncertainties

There is likely to be some customer resistance to the Council increase in charges, however these charges are comparable with rates charged by other external contractors. An annual review of the charges will be carried out to ensure that the customer will receive a good service at reasonable rates, however waste water treatment rates have been known to vary in previous years.

10. Policy and Performance Agenda Implications

The issues contained within this report support the following Corporate Priorities:

Priority 3: Ensuring all areas of Rotherham are safe, clean and well maintained

11. Background Papers and Consultation

Appendix 1 - The Council's costs based on an average visit for the emptying and disposal of cesspools and septic tanks, including the Water Companies disposal charges for 2014.

Appendix 2 - A comparison of the Council's proposed cesspool & septic tank total charges and the external contractor's rates, including the Water Companies disposal charges for 2014.

Ward Members in the Wards listed above have not been consulted.

12. Contact

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APPENDIX 1

Table 1

The Council's **Streetpride** existing and proposed cesspool and septic tank emptying charges, including **Yorkshire Water** disposal charges.

	Existing total charges to customers	Proposed total charges to customers (from 1 October 2014)	Proposed Percentage Increase (from 1 October 2014)
<u>Cesspools/1000 galls</u>			
1 Man Gang & Vehicle	£114.77	£153.75	25.4%
2 Man Gang & Vehicle	£156.77	£207.83	24.6%
<u>Septic Tank/1000 galls</u>			
1 Man Gang & Vehicle	£136.67	£213.64	36%
2 Man Gang & Vehicle	£178.37	£267.72	33.3%

Table 2

The Council's **Streetpride** existing and proposed cesspool and septic tank emptying charges, including **Severn Trent Water** disposal charges.

	Existing total charges to customers	Proposed total charges to customers (from 1 October 2014)	Proposed Percentage Increase (from 1 October 2014)
<u>Cesspools Charges</u>			
1 Man Gang & Vehicle	£131.70	£148.64	11.4%
2 Man Gang & Vehicle	£180.75	£202.72	10.8%
<u>Septic Tank Charges</u>			
1 Man Gang & Vehicle	£194.54	£216.07	10%
2 Man Gang & Vehicle	£243.59	£270.15	10%

APPENDIX 2

Table 3

A comparison of the Council's **Streetpride** proposed Cesspool & Septic Tank Total Charges (i.e. from 1 October 2014), and External Contractor's rates for 2014, including Yorkshire Water (**YW**) and Severn Trent Water (**STW**) disposal charges.

Based on a 1 man gang operation:

CONTRACTOR Cesspool & Septic Tank Charges	Collection Charges	YW Waste Disposal Charges	STW Waste Disposal Charges	TOTAL CHARGES including YW Charges £	TOTAL CHARGES including STW Charges £
<u>Cesspool Charges</u>					
Lanes for Drains	Inclusive	inclusive	inclusive	395	395
Drains Aid	inclusive	Inclusive	Inclusive	460	460
Trevor Potts Wet Waste	195	18.45	13.34	213.45	208.34
Streetpride	135.30	18.45	13.34	153.75	148.64
<u>Septic Tank Charges</u>					
Lanes for Drains	inclusive	inclusive	inclusive	395	395
Drains Aid	inclusive	Inclusive	Inclusive	460	460
Trevor Potts Wet Waste	195	78.34	80.77	273.34	275.77
Streetpride	135.30	78.34	80.77	213.64	216.07

Note

Yorkshire Water waste water disposal charges are based on costs per cubic metre or 5,455 litres per load.

Severn Trent Water Limited waste water disposal charges are based on costs per cubic metre or 5,455 litres per load.

APPENDIX 2 (continued)

Table 4

A comparison of the Council's **Streetpride** proposed Cesspool & Septic Tank Total Charges (i.e. from 1 October 2014), and External Contractor's rates for 2014, including Yorkshire Water (**YW**) and Severn Trent Water (**STW**) disposal charges.

Based on a 2 man gang operation:

CONTRACTOR Cesspool & Septic Tank Charges	Collection Charges	YW Waste Disposal Charges	STW Waste Disposal Charges	TOTAL CHARGES including YW Charges £	TOTAL CHARGES including STW Charges £
<u>Cesspool Charges</u>					
Lanes for Drains	Inclusive	inclusive	inclusive	395	395
Drains Aid	inclusive	Inclusive	Inclusive	460	460
Trevor Potts Wet Waste	195	18.45	13.34	213.45	208.34
Streetpride	189.38	18.45	13.34	207.83	202.72
<u>Septic Tank Charges</u>					
Lanes for Drains	inclusive	inclusive	inclusive	395	395
Drains Aid	inclusive	Inclusive	Inclusive	460	460
Trevor Potts Wet Waste	195	78.34	80.77	273.34	275.77
Streetpride	189.38	78.34	80.77	267.72	270.15

Note

Yorkshire Water waste water disposal charges are based on costs per cubic metre or 5,455 litres per load.

Severn Trent Water Limited waste water disposal charges are based on costs per cubic metre or 5,455 litres per load.