

Proposed Increase of Commercial Waste Charges for 2006/07

1. Purpose of Report

- 1.1 To seek approval of the Executive to increase the Council's commercial waste collection charges.

2. Recommendations

- 2.1 **That approval is given to increase the collection charge to the Council's commercial waste customers by 10% for the year 2006/07.**
- 2.2 **That the Executive grant delegated powers to the Team Leader for Cleansing and Amenities, in consultation with the Strategic Manager for Customer Services and the Section 151 Officer, to offer discounts on large contracts as appropriate, in order to be competitive with the private sector.**
- 2.3 **That the Executive grant delegated powers to the Team Leader for Cleansing and Amenities, in consultation with the Strategic Manager for Customer Services and the Section 151 Officer, to set the future commercial waste charges.**

3. Links to the Corporate Business Plan

Corporate Aims

- 3.1 To ensure high quality, cost effective services.
- 3.2 To enable the provision of responsive, accessible and fair services delivered with courtesy and care.

4. General Background Information

- 4.1 As defined in the Environmental Protection Act 1990 any commercial operation that generates waste has a duty of care to ensure that its waste is removed by a Registered Waste Carrier, and disposed of in a legal manner.
- 4.2 Waste Collection Authorities have a duty, if requested by the occupier of premises in its area, to collect any commercial waste from such premises.
- 4.3 The commercial waste producer has a liability to pay a reasonable charge in order to receive this service, which is to cover the collection and disposal costs.
- 4.4 Normally the increases in the Council's commercial waste collection charges are kept in line with inflation. However for the year 2006/07 the increase will have to be far higher in order to cover the accelerated, above inflation disposal charges.
- 4.5 Wiltshire County Council (WCC) is the Waste Disposal Authority and therefore, in respect of commercial waste collection, the District Council has to pay to the County Council, the cost of disposing of the commercial waste it collects.

- 4.6 The disposal charge is made up of two elements; the cost incurred by the County Council for disposing of the waste, i.e. the charge from Hills to WCC, plus the Landfill Tax. These are both based on the number of tonnes disposed of to landfill.
- 4.7 Landfill Tax is a central Government tax that has to be paid on every tonne of waste landfilled. This was introduced to encourage more recycling and less landfill. Whilst initially this increase was only by £1 a year, it now increases by £3 every year, and in 2006/07 the Tax will amount to £21 per tonne.
- 4.8 For 2006/07 Wiltshire County Council have estimated the disposal charge, including Landfill Tax, to be £55.19 per tonne. This is only an estimate as WCC will not know the Hills Waste charge until after April 2006.
- 4.9 In order to ensure that the “polluter pays principle” is adopted this increased charge has to be passed on the waste producer, i.e. the commercial waste customer.

5. Financial Implications

- 5.1 The income from commercial waste collection for 2005/06 is forecast to be £390,000.
- 5.2 A 10% increase based on the existing customer list, can be expected to generate an income of £429,000.
- 5.3 From this an estimated £260,000 will have to be paid to WCC for waste disposal charges.
- 5.4 This will give North Wiltshire District Council an estimated net income of £169,000.
- 5.5 A proposed increase of 10% will have the following impact on the Council's commercial waste charges.

Container	2005/2006			2006/2007		
	Gross Income (£)	Disposal Charge (£)	NWDC Net Income (£)	Gross Income (£)	Disposal Charge (£)	NWDC Net Income (£)
Bags	1.00	0.30	0.70	1.10	0.33	0.77
240ltr bin	135	61.63	73.37	149	68.88	80.12
500ltr bin	224	92.44	131.56	247	103.32	143.68
1100ltr bin	306	184.44	121.12	337	206.63	130.37

- 5.6 As a comparison, Kennet District Council, for the financial year 2005/06 is charging £319.80 for an 1100 litre wheeled bin emptied once per week. They have not set their price for 2006/07.

6. Community & Environmental Implications

- 6.1 The commercial waste collection charge needs to be kept at a level to ensure that the “polluter pays” and that commercial waste collection and disposal is not subsidised by the Council Tax Payer.

7. Equal Opportunities Implications

7.1 There are no equal opportunities implications associated with this report.

8. Human Resources Implications

8.1 There are no human resources implications relating to this report

9. Legal Implications

9.1 There are no legal implications to relating to this report

Documentation used in the preparation of this report:

- Correspondence with Wiltshire County Council.
- The Corporate Business Plan

REPORT OF THE STRATEGIC MANAGER CUSTOMER SERVICES TO THE EXECUTIVE - 9TH MARCH 2006

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