## Wiltshire Council

### Cabinet

6 November 2012

Subject:	Controlled Waste Regulations 2012 and Proposed Changes to the Council's Charging Policies
Cabinet Member:	Councillor Toby Sturgis – Waste, Property, Environment and Development Control Services
Key Decision:	Νο

### **Executive Summary**

The report sets out the changes to the powers that local authorities have in respect of making charges for waste collection and disposal as defined in the Controlled Waste Regulations 2012, which have replaced the Controlled Waste Regulations 1992.

The changes in the legislation do not affect the waste collection service provided to domestic households. Instead, they concern private businesses and voluntary and community sector organisations such as residential homes, nursing homes, hospitals and charities.

The previous regulations were reviewed by the government to clarify how local authorities should classify the waste from various non-domestic premises and to ensure that council tax payers are no longer required to subsidise the waste collection and disposal of non-domestic organisations.

The result of the review, which included a consultation with stakeholders, is that further powers to charge for waste collection and disposal from these non-domestic premises are introduced in the new regulations.

The proposal reflects the government's stance on introducing further powers to charge non-domestic organisations. It ensures that council tax payers do not fund the operating costs of non-domestic properties. Where the new regulations have given the Council the power to introduce charges, the proposal seeks to implement these charges in the 2013/14 financial year.

A further component of the proposal is to address anomalies in current practice across the county to ensure that customers receive a consistent service, regardless of their location.

# Proposals

Cabinet is asked to:

- (i) Approve the provision to charge non-domestic organisations for waste collection and disposal in accordance with paragraphs 16 to 32 below and any associated actions required to introduce these charges.
- (ii) Approve the harmonisation actions identified in paragraphs 35 to 65, including the provisions to apply charges where indicated.

## **Reason for Proposals**

To ensure that:

- (i) The Council's waste policies are updated to take account of the new regulations, including harmonisation of anomalies in current practice.
- (ii) The changes to policy prevent council tax payers from funding the costs of waste management for organisations which are responsible for the waste that they produce.

## **Tracy Carter**

Service Director Waste Management Services

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### **Purpose of Report**

- 1. To:
  - Update Cabinet on how the Controlled Waste (England and Wales) Regulations 2012 (CWR 12) have changed some of the powers and duties available to local authorities in respect of managing waste collection and disposal from the previous regulations, The Controlled Waste Regulations 1992 (CWR 92).
  - (ii) Seek agreement to implementation of the proposals set out in this report.

## Background

- 2. The term "household waste" means something different in legislation to its general meaning to the public and when referred to informally by officers. In legislation the term "household waste" includes waste from domestic residences but also waste from a range of non-domestic premises, such as schools, nursing homes and hospitals. Where the term "household waste" is used in this report, it is referring to the legal definition. In cases where a distinction is being made between different types of household waste (e.g. from non-domestic premises), the report makes that distinction. Please note that the new regulations do not affect our duties or powers in relation to domestic households.
- 3. The interpretation of CWR 92 by local authorities has been problematic, with many identifying the terminology as unclear and that charging mechanisms were difficult to introduce. Schedule 2 of CWR 92 defined the types of premises which were classified as household waste producers whom local authorities could charge for waste collection but not waste disposal. Department for Environment, Food and Rural Affairs (DEFRA) attempted to resolve this confusion by issuing an explanatory letter in October 2007 but admits that this did not succeed in achieving the clarity desired.

- 4. The government undertook a review of CWR 92, including a consultation of stakeholders, such as local authorities, in winter 2010. DEFRA carried out the review because "large numbers of the non-domestic 'Schedule 2' premises sought waste services from local authorities in order to take advantage of taxpayer-funded waste disposal." Disposal costs have increased substantially since 1992, so the impact of this on waste disposal authorities has been greater each year.
- 5. The government's review makes clear that tax payers should not be expected to continue funding the waste collection and disposal of the organisations referenced in the legislation. The proposals intend to ensure that Wiltshire's tax payers are not funding such organisations' waste management. These organisations have a direct responsibility to manage the waste they generate and the government has applied the 'polluter pays' principle accordingly.
- 6. In Wiltshire, the services delivered to 'Schedule 2' properties have been managed differently by the former district councils. While there have been attempts to harmonise the approach since Wiltshire Council was formed, there are still some anomalies in how services are delivered to these properties.
- 7. The new regulations give the Council the opportunity to review its approach to the collection and disposal of waste from these producers to ensure that it recovers costs where applicable to avoid tax payers subsidising such collections.
- 8. The new legislation includes changes to:
  - the definitions of types of waste
  - whether waste producers are categorised as household waste, commercial waste or industrial waste producers,
  - the charges that local authorities can apply to specified producers of household waste.

## Main Considerations for the Council

## Summary of changes brought into effect by CWR 12

- 9. CWR 12 continues to define waste using the categories household waste, commercial waste and industrial waste but has separate means of classification:
  - by the place of production
  - by the nature of the waste or the activity producing the waste
- 10. Where there is a conflict between how waste is classified by its place of production and the nature of the waste or the activity producing the waste, the regulations prescribe that the latter will take precedence. The information in the sections below takes account of this hierarchy.

- 11. The legislation sets out types of household waste and whether charges for collection and disposal may be made. If there are exceptions which differ from the classification of the waste by either place of production or the nature of the waste or the activity producing the waste, the exceptions stated in the section of the legislation which defines charges for household waste will take precedence. Again, the information in the sections below takes account of this hierarchy.
- 12. CWR 12 introduces disposal charges to some non-domestic household waste producers. Also, some non-domestic premises formerly classified as producers of household waste are now identified as producers of commercial waste.
- 13. Where household waste producers can be charged for waste disposal they are to be treated as commercial waste producers for the purpose of Section 45(4) of The Environmental Protection Act 1990 (EPA) (concerning a person's liability to pay a reasonable charge for disposal of commercial waste to the authority which arranged for its collection and the recovery of such a charge). The waste should be treated as household waste for all other purposes.<sup>1</sup>

# Key changes to local authorities' powers to charge for waste collection and/or disposal in the Controlled Waste Regulations 2012

- 14. The following sections summarise the changes brought about by the new regulations and explain the types of charges that will be introduced if Cabinet agrees to the proposal.
- 15. All changes brought about by the proposal would be introduced at the beginning of the 2013/14 financial year, unless otherwise stated below. Where changes affect the voluntary and community sector, the Wiltshire Compact states that we must give at least three months' notice of any increase in charges, so the proposal would allow us to comply with this requirement.

## Charities involved in re-use

- 16. Charities involved in re-use of waste (e.g. charity shops) can now be charged for waste disposal as well as collection. If the proposal is accepted by Cabinet, the Council would reserve the right to apply this disposal charge, subject to paragraphs 17 to 19 below. It currently provide services to 57 customers in this category.
- 17. The disposal charge can only be applied where the waste has come from nondomestic sources. The onus is on the Council to supply guidance to charities to help them to implement a system to demonstrate where the waste originates from, to allow the Council then to determine whether a charge for disposal should be made.

<sup>&</sup>lt;sup>1</sup> With one further exception – Section 52(9) of EPA 1990 – which entitles a waste disposal authority to receive the reasonable cost for the disposal of commercial and industrial waste from a waste collection authority.

- 18. There is no data on how much of the material taken by re-use operations from charities comes from non-domestic sources (although one might expect it to be low), so it is difficult to estimate the cost of designing and implementing such a system and whether the cost would outweigh the income received through disposal charges.
- 19. For this reason, disposal charges should not be implemented until the waste management team has had the opportunity to investigate the feasibility and cost effectiveness of introducing them.

### Other charities

- 20. All other charities not involved in re-use or selling goods donated from domestic properties are classed as producers of commercial waste in the new regulations.
- 21. Acceptance of the proposal would introduce commercial waste charges to these charities (i.e. the full collection and disposal charges). The Council currently provides services to 70 customers in this category. As a consequence, it would cease to offer discretionary Household Recycling Centre (HRC) passes because it does not accept commercial waste at HRCs.
- 22. Where charities have a mix of re-use (e.g. a shop selling donated goods) and non-re-use (e.g. an office/warehouse where the primary activity is not preparing goods for re-use), the proposal seeks to charge for each element accordingly. The re-use operation would only pay disposal charges subject to paragraphs 16 to 19 and the non-re-use element would be subject to disposal charges from the date changes are implemented.

## **Residential homes**

23. CWR 12 introduces the power to charge residential homes for their waste disposal, including for any clinical and offensive waste that Wiltshire Council collects from these premises. The proposal, if accepted, would implement charges to these premises for waste disposal in addition to the collection charges currently applied. The service is used by 75 customers in this category currently.

### Nursing homes and hospitals

- 24. As with residential homes, nursing homes and hospitals are subject to disposal charges under the new regulations in addition to the collection charges that already apply. If the proposal is accepted, these charges would be implemented to Wiltshire Council's 65 customers and any new customers who join the service.
- 25. Clinical waste and offensive waste from nursing homes fall under the default classification of industrial waste for these waste types. Wiltshire Council does not collect industrial waste, so we will continue to not collect clinical waste from these properties. The Council has a number of contracts with nursing homes for the collection of offensive waste. These contracts will continue under the proposal.

Domestic premises (including caravans) used for self-catering accommodation and commercial camp sites

26. These premises are now defined as producers of commercial waste, having formerly been classified as household waste producers who Wiltshire Council could charge for waste collection only. Disposal charges would be introduced to these premises if the proposal is agreed, except where paragraphs 31 and 32 apply. Three customers in this category currently receive services from the Council.

Waste from premises forming part of a university, school or other educational establishment

- 27. The power to charge for waste disposal from publicly funded schools has been introduced in the new regulations, although there is a significant exception to this power. Disposal charges can only be applied if the educational establishment paid disposal charges before the 2012 regulations came into effect (6 April 2012). Wiltshire Council's existing educational establishment customers did not pay disposal charges before (only collection charges applied), so it cannot introduce disposal charges to them. The government will review this position in the next spending review in 2015, so these customers will be exempt from disposal charges until that point at least.
- 28. Any new educational establishment customers can be charged for disposal, so agreement to the proposal would see these charges implemented.
- 29. The exception referred to in paragraph 27 only applies to publicly funded schools. Non-publicly funded schools would be subject to disposal charges on acceptance of the proposal. This charging would apply to both current and new customers, so Wiltshire Council may have to review its records to identify all such educational establishments.

# Penal institutions

30. Penal institutions are subject to disposal charges under the new regulations, in addition to the collection charges already applicable under the previous regulations. The proposal seeks to introduce the disposal charge to the Council's existing two customers and any new customers.

## Small and medium enterprises (SMEs)

- 31. Where CWR 12 give local authorities powers to charge for waste disposal from certain premises, any firms which employ up to 20 people will be exempted from those charges only where they:
  - (a) are entitled to Small Business Rate Relief and
  - (b) were eligible for free waste disposal under CWR 92 (i.e. premises covered by Schedule 2, including those premises types which are classed as commercial waste producers under CWR 12<sup>2</sup>).

<sup>&</sup>lt;sup>2</sup> DEFRA has recently amended the new legislation to clarify that these commercial waste producers are included in the scope of the SME exemption, which the instrument in its original did not allow, so that its principles in the consultation response are reflected in legislation. CM09423/F

32. Agreement to the proposal would exempt these businesses (most likely to be self-catering accommodation, camp sites and pre-school childcare organisations) from disposal charges. Further work by waste officers and colleagues in other departments will be required to develop a means of identifying these customers, although businesses which fall into this category are likely to volunteer the information to help us apply the right level of charges.

# Harmonisation of approach to premises referenced in the Controlled Waste Regulations 2012

- 33. The district councils' approaches to interpreting CWR 92 varied and these variations have continued in relation to certain property types since Wiltshire Council was formed. The new regulations provide the opportunity to review existing practice and to harmonise our approach to collections from, and the charges we apply to, certain premises types.
- 34. All changes brought about by the proposal would be introduced at the beginning of the 2013/14 financial year, unless otherwise stated below.

Premises occupied by a club, society or any association of persons in which activities are conducted for the benefit of members

- 35. These premises were classed as producers of commercial waste under CWR 92 and this has not changed in the new regulations. However, the Council has 43 customers who have been exempted from disposal charges since they have been customers, many of whom will have taken up the service under the administration of the district councils. There is no documentation to prove that these customers were deliberately exempted from disposal charges, so the situation may have occurred due to a misinterpretation of the legislation or an administrative oversight when coding the charges applicable to the premises type.
- 36. There are 23 customers paying the correct rate currently (i.e. both collection and disposal costs) so it is not equitable that other similar clubs are paying lower rates for the same service level.
- 37. If the proposal is accepted, the customers who currently do not pay disposal charges, as referenced in paragraph 35, would be subject to disposal charges, so that the powers available to the Council are applied to all customers in that group.

### Premises used wholly or mainly for public meetings

- 38. The new regulations continue to define these premises as producers of household waste for which a collection charge can be applied. Most of our customers who fall into this category predominately village halls are charged in this way.
- 39. There are known to be at least two customers who are charged incorrectly for disposal as well at present. The proposal would see us cease to apply disposal charges to these customers, subject to a review to ensure that the customers have been coded accurately in our systems, if accepted by Cabinet.

- 40. Further to this anomaly, a more detailed review of the Council's approach to waste collections from village halls is being conducted by the Head of Waste Collection which will attempt to clarify a method for providing a basic service offer to all village halls, but which will also seek to apply charges for the commercial element of waste generated by halls that are made available for private hire. This review will continue into 2013/14 to enable the Council to analyse the full impact of any changes to service delivery and the charges levied for service provision.
- 41. In seeking to apply commercial waste charges, as noted in paragraph 40, officers are aware that many village halls are made available for private hire or for gatherings that are not classed as public meetings. The powers in CWR 12 prevent us from applying disposal charges to premises used wholly or mainly for public meetings, but it is clear from the information on a number of village hall websites that facilities are used for purposes other than public meetings.
- 42. It would not be practical for officers to establish a detailed breakdown of the activities at each village hall, so the review will seek to apply a practical approach to determining the threshold at which waste is deemed to be commercial waste, based on bin size and collection frequency.
- 43. Initial research suggests that a 180 litre bin (the size used by a domestic household) collected weekly would offer enough capacity for a premises used wholly or mainly for public meetings to manage their waste. A collection charge only would be levied for this service. Any waste generated above this capacity and collection frequency would be treated as commercial waste, and both collection and disposal charges would apply unless the premises concerned can demonstrate that it is used mainly for public meetings and needs a larger capacity bin for this purpose only.
- 44. The proposal is based on the principles of applying commercial waste charges to village halls not used wholly or mainly for public meetings and of adopting a practical approach to determining whether waste from village halls is commercial waste. The detailed review referred to in paragraph 40 will inform a decision on whether the bin capacity stated in paragraph 43 is suitable for all of the household waste produced at the premises.

## Bed and Breakfasts (B&Bs) and other composite heriditaments

- 45. These premises continue to be defined as commercial waste producers under the new regulations for waste that is generated from commercial operations at the premises. However, there has been inconsistency in how this was applied specifically to B&Bs across Wiltshire.
- 46. While the majority of customers have been treated as commercial waste producers and charged accordingly, there has been no policy to define this approach and there has been inconsistency in dealing with requests from these properties for larger or extra bins to be collected as part of the domestic residual waste collection service.

- 47. The Local Government Ombudsman advises that composite heriditaments (a property used for both domestic and non-domestic purposes) should be provided with free collections for the domestic element of the property but that charges can be applied for waste from the commercial part of the premises. It also recommends that councils have a specific policy on this issue, which has been lacking to date.
- 48. In practice it would be difficult for officers to determine precisely what is and is not commercial waste at the premises, so the issue is only likely to be raised when B&B owners, for example, contact the Council to request a larger bin for their domestic waste.
- 49. The proposal, if accepted, would set in policy that all composite heriditaments would receive a standard allocation of containers<sup>3</sup> for waste collection from the domestic element of the property. However, requests for additional residual waste capacity would be refused unless the proprietor can prove that the waste has come from the domestic element of the property and that they meet the criteria for additional capacity in the Council's existing policy.
- 50. In most cases, the additional waste is likely to have come from the commercial element of the property. Under the proposal, if approved by Cabinet, the policy would require these requests to be passed to the commercial waste team in instances where the proprietor has been unable to provide the proof detailed in paragraph 49.

# **Residential hostels**

51. Despite being classified as household waste producers whom the Council could charge for waste collection under CWR 92, two residential hostels have been charged full commercial waste rates for their collections to date. The proposal, if accepted, would authorise waste officers to write to the affected customers to advise them that we should have charged for collection only and a refund for disposal costs would be issued also as soon as is practicable, subject to a review to ensure that the premises types have been coded accurately in our systems.

# Gypsy and traveller sites

- 52. Under the new regulations, these sites must be treated in the same way as any other domestic property, with free collections of household waste in the designated containers for residual waste and recycling.
- 53. Current records show that charges are made for waste collections from two such sites. The Council would cease to apply charges to these customers, subject to a review to ensure that the premises types have been coded accurately in the systems, should the proposal be accepted by Cabinet. A refund for incorrect charges would be issued as soon as practicable.

<sup>&</sup>lt;sup>3</sup> 1 x 180ltr bin for residual waste, 1x 240ltr bin for plastic bottles and cardboard, 2 x 55ltr black boxes for paper, glass, cans and textiles and the opportunity to opt in to receive a 180ltr bin for garden waste. CM09423/F

### Places of worship and cemeteries

- 54. The approach to making collections from cemeteries is not consistent across Wiltshire. Waste legislation does not specifically classify waste from cemeteries and there has been some confusion about whether it is household waste, because the site is treated as a place of worship and therefore eligible for the same service as any domestic residence, or whether it is commercial waste. The Council now has the opportunity to clarify and harmonise its approach.
- 55. If Cabinet accepts the proposal, cemeteries would be offered the standard collection service of residual waste and recycling received by households only if a place of worship is included in the site boundary. Any cemeteries which do not include a place of worship would be treated as commercial waste producers and would have to pay for waste collection and disposal.

### Recycling services for non-domestic producers of household waste

- 56. A Cabinet Member Decision (WPED-007-12) was approved in July 2012 to authorise the implementation of the charges set out in **Appendix 1** to customers who currently receive recycling services as part of commercial waste and non-domestic household waste recycling pilots in operation. The provision of recycling services has been inconsistent to date with our current, district council legacy policies.
- 57. Since that decision was made, a review of CWR 12 shows that local authorities have further powers to apply charges to some of these organisations, which are listed in paragraphs 16 to 19, 22 to 25 and 27 to 30 in this report.
- 58. The Household Waste Recycling Act 2003 imposes a duty on councils to collect at least two materials from household waste producers, albeit with the power to make a charge for collection and disposal for certain non-domestic premises. The current service does not offer a recycling option to all household waste producers, so a change of policy is required.
- 59. If the proposal in this report is approved by Cabinet, the Council will apply the commercial waste charges (which cover the cost of collection and disposal) set out in **Appendix 1** to non-domestic household waste recycling producers liable to pay disposal charges under the new regulations.
- 60. The precise details of the way the recycling service will operate are yet to be determined because there are anomalies in the container types and materials collected in the chargeable recycling pilots currently in place. The model of service delivery that appears most feasible from initial investigations is a fortnightly collection of plastic bottles and cardboard from a 240 litre bin as a standard recycling container. If there is a demand for recycling additional materials, there is the potential of extending the domestic black box service to these organisations. Should the proposal be approved, officers would continue to research the best means of delivering recycling services to these organisations.

### Recycling services for commercial waste producers

61. The duty to collect recyclable material from household waste producers referenced in paragraph 58 does not apply to commercial waste. The whole commercial waste service is currently under review and the outcome of the review will determine whether a recycling service to commercial waste producers is feasible and, if so, how the service should be delivered. The research referred to in paragraph 60 may inform how a commercial waste recycling service would operate.

### Bulky waste for non-domestic producers of household waste

- 62. The approach to collecting bulky waste from these premises is not harmonised currently. Ad-hoc arrangements are usually put in place where such organisations request a collection of bulky items. In some areas, the job will be charged at the same rate that domestic householders pay but in other areas a quotation for the exact cost of the job will be prepared.
- 63. The rates that householders pay for bulky waste collections are low and do not cover the cost of collection. This situation is a legacy of former district council charging structures, increased by inflation, with no review of the service having taken place. A separate review of this service to householders is required, but, in the context of the new regulations, a decision on whether non-domestic properties should be allowed to pay such a relatively small amount for this service is needed.
- 64. Any decision should be considered in the context that local authorities are not the only service providers. The voluntary and community sector provides free collections of items in many cases and the service operators generally look to reuse items, which is the most environmentally sustainable option in this situation.
- 65. Should Cabinet accept the proposal, the charges for non-domestic producers of bulky household waste would be increased to reflect the true cost of collection and, where the legislation allows, disposal so that the service is not subsidised by council tax payers.

## **Environmental and Climate Change Considerations**

- 66. The facility to charge organisations in line with the proposal would require these organisations to be more careful about their waste arisings because if they continue to produce as much waste as they do in this financial year, it would cost more for them to have it collected and disposed of in the next financial year. The proposal has the potential to encourage waste minimisation, therefore, for a number of organisations.
- 67. The proposal seeks to make available recycling services to more customers across the county, which would reduce the amount of waste going to landfill. It is difficult to predict how customers might respond to the increased charges. The Council is still receiving customer contact in relation to the increased commercial waste charges that were introduced earlier this year, so it is not in a position to collate and analyse that data yet. If the Council retains non-domestic household waste customers, it may be able to encourage more of them to take up recycling services.

68. If customers take up the offer of recycling services, the Council may not have to put extra vehicles on the road. The relatively low number of customers affected by the proposal and their broadly even geographical spread across the county would enable the authority to absorb these collections into current recycling rounds. The Council would keep this situation under review to analyse the effect of new customers joining the service on the number of vehicles required to run the service.

## **Equalities Impact of the Proposal**

- 69. The proposal ensures that council tax payers are not subsidising the waste collection and disposal of non-domestic organisations.
- 70. Organisations affected by the proposal will be treated in line with legislation. Our application of powers to make charges is consistent, so no particular organisation is being treated differently to others.
- 71. Equal recycling opportunities will be available to all non-domestic household waste producers referenced in this report should the proposal be accepted.
- 72. The proposal removes anomalies from current practice where some organisations which are grouped in legislation were subject to different charges, so it ensures that these organisations are treated fairly and consistently.

### **Risk Assessment**

- 73. Failure to update Wiltshire Council's policies in light of the new regulations would leave the Council open to challenge from council tax payers, particularly in the current climate where there is media attention about public sector spending and the pressure on budgets. If the proposal is not implemented, the Council would have to continue to fund the waste collection and disposal for organisations where the law allows it to make charges.
- 74. It would also expose the Council to the risk of some businesses challenging it on why they have had to pay more than other similar businesses for the same service if the harmonisation actions are not adopted.
- 75. If the proposal is accepted, the Council may have to issue refunds to some customers who have been charged incorrectly to date. The amount of any refunds would be the subject of negotiation in each case, to seek to ensure that a fair settlement was achieved, and that the interests of the tax payers were protected.
- 76. Acceptance of the proposal may lead to the Council losing customers for its non-domestic household waste service, some of whom would become commercial waste customers under the new regulations. However, competitors in the private sector would charge these customers for the same elements of the service (i.e. collection and disposal as permitted in the regulations) as the Council would, so the issue becomes more about the Council's service's running costs in comparison to the private sector rather than about a policy based on the proposal.

- 77. Any charges to care homes for waste collection may affect the fees that the Council pays to care homes for adult social care service provision. It should be noted that care homes do not have to use the Council's waste collection service, so they could use an alternative provider who may offer more competitive prices.
- 78. If the proposal is not accepted, the Council would be open to challenge from private sector waste management companies who could argue that tax payers' money is being used to subsidise the Council's chargeable waste services and undercut their rates therefore.

## **Financial Implications**

- 79. The proposal would allow the Council to recover the full costs, including central support services, of waste services provided to organisations affected by the new regulations services which are currently subsidised by council tax payers. Accepting the proposal would ensure that the Council's policy applies the government's rationale for changing the legislation.
- 80. The charges that would apply to the organisations affected by new powers to charge for collection and disposal of waste are shown in **Appendix 1**. These prices would be subject to the relevant inflation applicable for the next financial year.
- 81. There are a number of variables which make it difficult to project the increased income that the Council might receive from the increased charges set out in the proposal. The service does not know how customers might respond to these increases, so it is difficult to establish whether its customer base will reduce. Officers are analysing the impact of increased charges on the commercial waste customer base currently but it is too early to draw any comparisons about the effect on the organisations affected by the new regulations at this stage.
- 82. The waste service is carrying out a programme of systems thinking reviews. One outcome will be an improved ability to extract data from its IT systems and to analyse the output. Currently, the service cannot extract data out of the systems to the level of detail required (without recourse to manually checking hundreds of records) to make accurate projections about the income we might receive from increased charges.
- 83. Noting the limitations referenced in paragraphs 81 and 82, **Appendix 2** projects that if each of the current customers received a weekly collection of a particular size of container most widely used by their organisation type, and if they decided to continue to use the Council's service, the Council could receive an extra £34,000 of income from the introduction of disposal charges in financial year 2013/14. This does not include any future inflationary increases.

## **Legal Implications**

- 84. The Council has a duty to collect commercial waste and non-domestic household waste when requested to do so. It also has a duty to collect at least two types of recyclable material from producers of household waste. The proposal will allow the Council to comply with these duties.
- 85. CWR 12 sets out new definitions and categories of waste, which the Council is required to apply. Where there is a power to charge for the collection and disposal of waste, the Council has the discretion to apply such charges. The level of any charges applied must be reasonable and relate to the costs of providing the service concerned. Where the Council is proposing to implement new charges under CWR 12 to existing customers, there would need to be a reasonable period of notice before those charges were applied, in accordance with the existing contractual arrangements.

## **Options Considered**

86. The option of not applying charges to organisations where permitted by the legislation was considered, but pursuing that option would have been counter to the government's reason for reviewing the legislation. Not applying charges would result in council tax payers funding the waste management costs of organisations who have a duty to manage their waste.

### Conclusions

- 87. The proposal will require organisations to take full account of the costs of managing the waste that they generate. The introduction of disposal charges will bring waste management into sharper focus for these organisations, which may prompt them to consider waste minimisation. These organisations generate the waste and, therefore, it is reasonable for them to bear the costs incurred in managing it.
- 88. Council tax payers will no longer have to fund the disposal costs of these premises, a cost that continues to increase year on year. Given that Wiltshire's residents have no control over the amount of waste that these premises generate, it is reasonable that council tax payers are not required to help fund the waste management costs of these organisations.

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# The following unpublished documents have been relied on in the preparation of this report:

Summary of changes in the Controlled Waste Regulations 2012 and the impact in Wiltshire (briefing note for the waste management services strategic management team)

### **Appendices:**

- Appendix 1 Schedule of charges for commercial waste and non-domestic household waste producers
- Appendix 2 Projection of income that may be generated by the proposal