

Decision maker:	Cabinet member contracts and assets
Decision date:	Thursday, 2 November 2017
Title of report:	Waste Management Charging
Report by:	Waste operations team leader

Classification

Open

Decision type

Non-key

Wards affected

(All Wards);

Purpose and summary

To approve the introduction of new charges and changes to existing waste management charges. To ensure full cost of providing services is met through charges set, in line with the councils agreed charging principles, where legislation allows the council to make charges for waste services. To recover costs of providing services where residents choose to receive a service which differs from the standard service. Encouraging residents to use the NHS provided clinical sharps take back scheme will help the council to avoid the costs of collection and disposal. Clinical treatment at home is likely to become more common in future and the ability to charge healthcare organisations for waste they produce will mitigate any additional burden imposed on the council whilst also being able to provide a service to healthcare organisations.

Recommendation(s)

That:

- (a) charges for optional or additional waste management services are amended or introduced, as contained in appendix 1;**
- (b) charges are made for general waste collection and disposal across all care, residential and nursing homes (care homes) where legislation allows and that new charges are introduced in line with legislation to care, residential and nursing homes to recover the cost of providing recycling collection and disposal above the provision**

- allowed at a normal domestic property, as contained in appendix 1;
- (c) changes to the clinical collection service is made which encourages residents to make use of the NHS clinical sharps take back scheme at GP surgeries;
 - (d) the option is agreed to levy charges to healthcare organisations for the collection of clinical waste where such organisations are treating residents in their own homes and
 - (e) all of the above are implemented within the current financial year.

Alternative options

1. Existing charges for bulky waste, which includes fridges/freezers, could remain the same but would no longer meet the cost of providing this service, and therefore not be in accordance with the council's charging principles.
2. The council could continue to provide bins and additional recycling capacity free of charge but would continue to incur the additional cost which would not be in accordance with the council's charging principles.
3. The council could stop providing additional recycling capacity; this is not recommended as it would be likely to lead to reduced levels of recycling and increased levels of household waste.
4. No charge could be made to care homes but this would decrease income already received from those paying and would therefore not meet the increasing costs of providing the service or the council's charging principles.
5. Full charges could be introduced to care homes; this is not recommended as such a charge would then not take into consideration any contribution that is already made through council tax.
6. The council could continue to provide a free collection service to all residents who produce clinical sharps waste and bear the cost of collection and disposal; this is not recommended as it is not in accordance with the council's charging principles.
7. The council could provide a free collection of clinical waste to healthcare organisations. This is not recommended as it would be contrary to government guidance which states the healthcare organisation should make their own arrangements for the collection and disposal, at their own cost.

Key considerations

Bulky Waste and fridges/freezers

8. Changing the charging mechanism for bulky items and introducing a charge for fridges/freezers brings this in line with the collection contract payment mechanism and will therefore ensure that all charges cover the collection costs, no matter how many items are booked for collection.
9. The current £5 charge per item above three items will cease and £20 per three bulky items (excluding fridges and freezers) will be introduced. This is to ensure that the collection costs are covered, no matter how many items are booked for collection.
10. A separate charge of £20 per fridge/freezer will be introduced.

- 11 Consultation results show that 76% of respondents either agreed or strongly agreed that the proposed prices for the collection of bulky items are reasonable.
- 12 75% of respondents either agreed or strongly agreed that the proposed price of £20 per fridge/freezer is reasonable.
- 13 The Waste Electrical and Electronic Equipment (WEEE) Directive 2012 places some responsibilities on retailers and distributors of electronic and electrical equipment, including fridges and freezers, which includes the offer to take back WEEE items when a similar like for like product is purchased, or to enter into a distributor take back scheme (DTS). Examples of take back schemes and prices charged are included in appendix 2.
- 14 Across Herefordshire there are a number of reuse organisations who will make collections of bulky items which are in good condition.
- 15 Consultation feedback showed about half of those who disagreed with the proposed prices raised concern that this may result in increased fly-tipping. Appendix 2 shows a graph of fly tipping incidents from 2011 to 2016.
- 16 Nationally, the incidents of fly tipping are increasing therefore fly-tipping incidents locally will be monitored to identify any effect.

Bin delivery, removal and swap

- 17 Herefordshire Council provide a standard waste collection and recycling service to every property paying domestic rates. This service consists of one 180 litre black bin for general rubbish and one 240 litre green bin for recycling.
- 18 Herefordshire Council also provides a number of container size options and within set criteria¹ residents are able to make requests to have their bins swapped for a different size.
- 19 Charges will be applied for all of the following:
- a. Delivery of general rubbish bins where the property uses sacks to put their waste out for collection but wants the bin to store their waste between collections
 - b. Delivery of a larger standard general rubbish bin where eligibility criteria has been met
 - c. Delivery/swap of any size recycling container
 - d. Delivery of additional recycling sacks requested outside of the delivery period
 - e. Removal of any bin
- 20 Consultation results show that 51% of respondents agreed that a £15 charge should be made when a resident chooses to exercise their option for one of the above.

Damaged bins

- 21 Herefordshire Council supply bins which meet EU safety standards and are suitable for use with the lifting equipment used by its collection contractor therefore only bins provided by the council will be emptied by FCC Environment Ltd.
- 22 81% of respondents agreed that residents should pay for replacement bins where they

¹ * Families of 6 or more persons permanently living at the same address

* Households with 1 or more children under 3 years old using disposable nappies

* Medical reasons cause large amounts of non-hazardous medical waste to be produced

have damaged them.

- 23 Replacement cost will consist of the cost of the bin (actual cost of bin at time of replacement) and the delivery fee (as shown in point 24 above).

Additional recycling capacity

- 24 The standard capacity provided for recycling is either a 240 litre bin or 104 recycling sacks per annum. The provision of a 360 litre recycling bin is provided when requested by a resident because they 'consistently' have too much recycling. Residents whose properties are not suitable for a bin and who therefore are provided with recycling sacks can request the delivery of additional recycling sacks throughout the year if they run out.
- 25 The 360 litre bins currently cost £10.50 more than the standard bin.
- 26 104 recycling sacks are delivered once per year to properties unsuitable for bins between August and the end of October. This began in 2009 and are supplied for use between November of the delivery year and October of the following year.
- 27 The supply and delivery of 104 additional recycling sacks costs £6.
- 28 The consultation showed 48% agreeing to the charge but 52% disagreeing.
- 29 The council does not restrict which premises can receive additional recycling capacity therefore anyone generating more recycling than the standard provision (whether they a bin or sacks) can request for the additional capacity (360 litre bin or more sacks depending on their property's service) or could use one of the councils household recycling centres for their extra recycling.
- 30 Each property is only provided with one service, a bin or recycling sacks, they cannot have both.
- 31 Although the consultation resulted in 4% more people disagreeing to the introduction of this charge, the councils charging principles are to charge for all services where it is appropriate to do so unless there are conflicting policies or legal reasons not to. In this instance no conflicting policies or legal reasons have been identified therefore the recommendation is to introduce a charge to cover the cost of the requested additional capacity.

Care, residential and nursing homes (care homes)

- 32 Under the EPA CWR 2012 waste from care homes is classified as household waste but this legislation allows for charges to be made for the collection and disposal of such waste.
- 33 Not all care homes use the council's waste collection service. The majority of those that do already pay in line with charges for trade customers for their waste collection and disposal but due to historical arrangements arising from previous waste legislation, some do not. The proposed change would mean a single system is used for all when they choose to use the council services.
- 34 Herefordshire Council currently provides a free of charge recycling collection service to many of these establishments but this is limited to the standard household service therefore does not allow or encourage increased recycling.
- 35 Most residential and care homes are domestic rated therefore are eligible to pay council

tax but receive a reduction on the rate that is paid.

- 36 National policy promotes preventing waste in the first place and the producer of the waste paying for the management of their waste in order to incentivise waste reduction.
- 37 Care homes do not have to use the council services for their waste and recycling collections.
- 38 73% of respondents to the consultation agreed that residential, care and nursing homes should pay for their waste collection services.
- 39 46% of respondents supported option 1; that residential, care and nursing homes should be provided with the maximum service provided to a household free of charge (1 x 240 litre black bin and 1 x 360 green recycling bin) but any additional bins would incur a charge in accordance with Herefordshire Council's trade waste collection charges.
- 40 35% of respondents supported option 2; that residential, care and nursing homes should make payment for waste services in accordance with trade collection charges for general rubbish and recycling.
- 41 It is recommended that option 1 is introduced. An outline of the charges can be seen in appendix 1.

Clinical

- 42 Herefordshire Council has a statutory obligation to provide a clinical waste collection service from domestic residents in its area. This includes clinical infectious waste, offensive waste and clinical sharps.
- 43 The clinical service is costly to provide as it involves vehicles travelling long distances to collect relatively small amounts of waste across the county.
- 44 Further to negotiation with NHS England, Herefordshire GP service, Herefordshire Clinical Commissioning Group and Herefordshire Council a sharps take back service has been agreed whereby residents may return full sharps boxes to their local GP surgery. This service is provided by the GP surgeries and NHS England. GP's will prescribe a new sharps box and arrange for training to ensure their proper use.
- 45 A further clinical sharps return service is provided by Addaction at seven locations in Herefordshire where any sharps and/or EpiPens can be safely returned and disposed of and cover situations where prescriptions have not been given.
- 46 Residents who previously had sharps boxes collected by the council have been informed that this new service is now available for them to use. This has the benefit that we will not have to collect and organise for the disposal of clinical sharps boxes.
- 47 The council still provides a special collection service for infectious clinical waste and offensive waste from domestic residents and will continue to do so where residents treat themselves in their own homes and produce this type of waste e.g home dialysis.
- 48 However we are mindful that in future it is likely that more care and treatment will be provided by healthcare organisations in people's own homes which could lead to additional waste and costs to the council if asked to collect this waste.
- 49 Government guidance states that healthcare organisation should make their own

arrangements for the collection and disposal of clinical waste, at their own cost. However, under the CWR 2012 if the council is asked to collect this waste we are able to make a charge for this service.

- 50 In order to mitigate likely additional costs to the council of increased clinical waste being produced by healthcare organisations who are providing medical treatment to people in their own homes, it is recommended that the option to charge healthcare organisations, such as the NHS, for this service is approved.
- 51 Charges are not intended to impact on social care services provided by, or on behalf of, the council. If a charge is to be applied, the council's waste management team will liaise with colleagues in adults and wellbeing so that any consequences can be thought through.

Community impact

- 52 Changing prices for bulky collections and introducing a separate cost for fridges/freezers will only impact residents if they choose to use this service. Other options available to residents include using a supplier take back scheme where available; using a reuse organisation for items in good condition or taking items to a household recycling centre at no charge to the resident.
- 53 Changing prices for bulky collections and introducing a separate cost for fridges/freezers could impact the most on elderly/disabled people who are unable to remove the items themselves or those without access to a vehicle.
- 54 85% of bulky bookings are for 1-3 items for which a charge has been made for a very long time. The cost for this number of items is not proposed to change therefore the impact will affect a minimal number of users.
- 55 The recommended changes will help to meet the aim set out in the corporate plan to manage our finances effectively to deliver a balanced budget. The charges made by the council reflect the costs it incurs through its waste management contract with FCC. These costs increase year by year, as per the contract, in line with the Consumer Price Index (CPI). If the council didn't adjust its prices to reflect this cost then it would have to fund the difference between the income it receives and the cost it incurs in delivering the service.

Equality duty

- 56 An EIA has been completed for the recommendations included in this report and has concluded that they are not likely to impact disproportionately on any particular group as outlined in the Equality Act. This is included as appendix 3 to this report

Resource implications

- 57 The introduction and alterations to the charges recommended will generate a recurring income of circa £15,000 per annum. This income has already been assumed in the council's Medium Term Financial Strategy. If the proposals included in this report are not approved, an alternative income source or cost saving will need to be identified to address the shortfall.
- 58 Once introduced, the charges will be reviewed annually to ensure they continue to reflect the full cost of provision of the services.

- 59 The council will save £5,000 per annum in disposal costs through reduction in clinical sharps boxes collected.
- 60 The council set appropriate charges for charging healthcare organisations as the need arises. This will be detailed in a future report if the need is demonstrated.

Legal implications

- 61 Pursuant to section 45(3) EPA the council is not permitted to charge for the collection of household waste except as set out in paragraph 4 of Schedule 1 to the Controlled Waste Regulations 2012 (CWR 2012).
- 62 The CWR 2012 sets out the legal charging regime that authorities operate within for the collection and/or disposal of waste. The legislation lists those properties where the council is permitted to offer a waste collection and/or disposal service, and those for which it can charge for these services.
- 63 The council are permitted to make a reasonable charge for the collection and disposal of non-household waste pursuant to the specific charging power in section 45(4) of the EPA. It is the council's duty to recover the charge unless they think it is inappropriate to do so where it pertains to commercial waste.
- 64 The new charges being introduced for provision is in accordance with the provisions for receptacles for waste under section 46 of the EPA. This provides that once the authority has determined the receptacles of a kind and number specified, then an agreement can be entered into with the occupier about additional provision by the council on payment of a single payment or periodical payment

Risk management

- 65 There is a risk that residents will be put off recycling more if they have to pay a charge for the additional recycling capacity. However, this is a one off payment for bins and a delivery charge for sacks, the council will then continue to collect the additional material.
- 66 There are no significant risks associated with encouraging residents to use the NHS take back service for clinical sharps waste.
- 67 The need to introduce charges for collection of clinical waste produced by healthcare organisations has to be considered against the amount of waste being produced by them and any future increase. This needs to be considered alongside the good working relationship between the council, the NHS, HCCG and with district nurses.

Consultees

- 68 A public consultation was carried out between 20 January and 3 March 2017. The results of this are outlined above for each element under key considerations.
- 69 The consultation included a question regarding a change to the disposal allowances for charities. Further consideration is being given to the possible impacts of any change and will be subject to a separate decision.

Appendices

Appendix 1 – Outline of charges

Appendix 2 - Options for fridge/freezer take back and fly tipping figures

Appendix 3 - EIA

Background papers

None identified