

**Report of : Strategy and Development Manager**

**Report to : Chief Officer Waste Management**

**Date: 27/03/2013**

**Subject: Prices for Waste Disposal at Transfer Stations**

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

### Summary of main issues

1. The cost of landfill tax is rising by £8/tonne on April 1<sup>st</sup> to £80/tonne. The Council has also faced significant price increases on the disposal of both plasterboard and timber in 2013/14.
2. The existing prices for trade waste customers at Kirkstall and East Leeds transfer stations need to be increased to reflect these additional costs incurred by the Council.
3. It is not proposed to increase the costs of any recycled material (with the exceptions of timber and plasterboard). Similarly the fixed cost of £20 for the site operational cost and cost of transport remains at the 13/14 rate in an attempt to encourage small business and traders to recycle their waste.

### Recommendations

4. The Chief Officer Waste Management approves the charges as set out in Appendix 1 of this report.

## **1 Purpose of this report**

- 1.1 To approve an increase in some waste disposal charges at Kirkstall and East Leeds transfer stations arising from the increase in landfill tax levied by the Government and also to reflect significant additional costs to Leeds City Council for the disposal of plasterboard and timber.

## **2 Background information**

- 2.1 A revised and simplified pricing structure was introduced in April 2013. This sought to encourage small businesses and traders to use the facilities offered by the Council.
- 2.2 The simplified pricing sought to ensure the Council covered its external costs of disposal (mainly landfill tax and relevant disposal gate fees) as well as making a contribution to the operational costs of the 2 transfer stations.
- 2.3 This report proposes to retain the simple and easy to understand pricing schedule.

## **3 Main issues**

- 3.1 The cost of landfill tax on residual waste will increase by £8/tonne on April 1<sup>st</sup> 2014 to £80/tonne.
- 3.2 Most disposal charges are increasing by an average of 2.7% to the Council. However, the Council has also faced significant cost increases, beyond the 2.7%, for the disposal of plasterboard and timber waste in 2013/14 which it has absorbed. However, it can no longer afford to do so.
- 3.3 The cost increases referred to above are outside of the control of the Council as they are set by the Government or determined by the prevailing market prices for those materials.
- 3.4 It is therefore proposed to increase the charges on a small range of materials that are currently collected at the transfer stations to reflect these cost pressures.
- 3.5 However, there has been no increase in that element of the charge to customers whose costs are under the direct control of the Council, i.e. the fixed charge to cover the operational costs of the sites and transport will remain at £20.
- 3.6 Other than for timber and plasterboard, the prices for the disposal of all recycled material will also remain in line with those set in April 2013.
- 3.7 A new schedule of prices is set out in Appendix 1 and for all waste types

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement .**

## **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 An Equality, Diversity, Cohesion and Integration screening for the proposed charges has been carried out and this concludes that an Equality Impact Assessment (EIA) is not required

## **4.3 Council policies and City Priorities**

4.3.1 The charges have been set with the intention to recover the full cost of the disposal of waste and also a contribution to the operating costs of the transfer stations. This is in line with the Council's approved fees and charges policy.

4.3.2 Dealing with the City's waste is a key Council priority .

4.3.3 In line with current legislation Charities that deliver materials classified as 'household waste' are afforded free disposal at the transfer station.

4.3.4 Landlords registered on the Leeds Landlords Accreditation scheme will also continue to receive free disposal of certain waste types (see appendix).

## **4.4 Resources and value for money**

4.4.1 The charges set out in the report are designed to encourage small and medium sized business to continue to use the Council's transfer stations and make it easier for them to recycle and dispose of their waste.

4.4.2 Total income in 2012/13 was £214k and income this year is projected at a similar level.

## **4.5 Legal Implications, Access to Information and Call In**

4.5.1 This is a significant operational decision and is not subject to call in.

## **4.6 Risk Management**

4.6.1 There is a risk that an increase in the prices could lead to a reduction in customers and thereby reduce total income.

4.6.2 However, where prices are being increased they are in response to either landfill tax and / or significant increases in market rates. Other providers will face similar increases to their cost base.

4.6.3 By limiting the scope of the price increases to certain materials, the impact on local businesses and small traders is being mitigated.

4.6.4 Should the disposal prices change significantly in year as a result of market conditions, they will be reviewed again.

## **5 Conclusions**

5.1 The cost of disposal of waste has increased due to the £8/t landfill tax rise and market prices of wood and plasterboard. The Council needs to ensure its charges are set to recover these cost increases

5.2 Some disposal prices, mainly the price of recycled waste will remain the same as in 13/14 as the costs of disposal to the Council are not increasing.

## **6 Recommendations**

6.1 The Chief Officer Waste Management is recommended to approve the charges as set out in Appendix 1

## **7 Background documents<sup>1</sup>**

7.1 None

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<sup>1</sup> The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.

## Appendix 1

### 2014/15 Charges for Waste Disposal

Waste Type	Gate/t (£)	LFT/t (£)	Handling / Transport (£)	Total/ tonne (£)	Min 0.2t (£)
<b>Landfilled Waste</b>					
General**	18.50 (18.00)	80.00 (72.00)	20.00 (20.00)	118.50 (110.00)	39.70 (38.00)
Inert (Rubble)**	8.25 (8.00)	80.00 (72.00)	20.00 (20.00)	108.25 (100.00)	37.65 (36.00)
Asbestos (LCC Unit only)	43.00 (43.00)	80.00 (72.00)	20.00 (20.00)	143.00 (135.00)	44.60 (43.00)
<b>Recyclables</b>					
Cardboard/Paper	0.00	0.00	20.00 (20.00)	20.00 (20.00)	20.00 (20.00)
Garden	20.00 (20.00)	0.00	20.00 (20.00)	40.00 (40.00)	24.00 (24.00)
Mixed Recyclables	35.00 (35.00)	0.00	20.00 (20.00)	55.00 (55.00)	27.00 (27.00)
Plasterboard**	65.00 (40.00)	0.00	20.00 (20.00)	85.00 (60.00)	33.00 (28.00)
Wood	25.00 (20.00)	0.00	20.00 (20.00)	45.00 (40.00)	25.00 (24.00)
WEEE – Fridges**	0.00	0.00	20.00 (20.00)	20.00/ unit (20.00)	
WEEE –TVs**	0.00	0.00	20.00 (20.00)	20.00/ unit (20.00)	
WEEE –Tubes**	0.00	0.00	20.00 (2.00)	2.00/ unit (2.00)	
Weighbridge				10.00 (10.00)	

\*\* Chargeable to Landlords on the Leeds Landlords Accreditation scheme. Most other waste types are free of charge.

2013/14 charges shown in brackets.