

**Report of Head of Service (Waste Strategy and Infrastructure)**

**Report to Chief Waste Management Officer**

**Date: 19<sup>th</sup> January 2018**

**Subject: Charging for inert and other similar wastes at Household Waste Recycling Centres**

Are specific electoral wards affected? If yes, 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:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**Summary of main issues**

A combination of reduced funding and cost pressures means that the Council is having to deliver £81.8m of savings in 2017/2018, with further savings required the following year. On 8 February 2017, Executive Board recommended to Full Council that the revenue budget for 2017/18 be approved. This revenue budget included proposals to charge for inert waste (soil, ceramics and rubble), plasterboard and tyres at the eight household waste recycling centres (HWRCs) across Leeds. The revenue budget was subsequently approved by Full Council on 22 February 2017.

Charging for these wastes on the HWRCs is a scheme adopted by many authorities. It is estimated that this proposal would generate savings of £236,000 per year based on a combination of an expected reduction in these wastes being delivered to sites and a projected level of income from charging.

The Council carried out a full consultation in March 2017, asking residents to identify and consider any issues and concerns, and has responded to and addressed these in designing the processes for and information in support of charging for these wastes. It is proposed that the scheme be implemented in February 2018.

**Recommendations**

The report recommends that the Chief Officer of Waste Management considers the content of the report, and approves the decision to implement charges for inert waste, plasterboard and tyres at Leeds' HWRCs from February 2018.

## **1. Purpose of this report**

- 1.1 This report seeks approval from the Chief Waste Management Officer for the implementation of charging for inert waste, plasterboard and tyres at the Council's HWRCs.
- 1.2 The report outlines the issues raised during public consultation and describes the policies and processes that will be introduced to address these issues when charges are implemented.
- 1.3 It recommends that charges are implemented in line with the policies and processes described.

## **2. Background information**

- 2.1 A combination of reduced funding and cost pressures has meant that the Council has needed to deliver £81.8m of savings during 2017/18, with further substantial savings required in 2018/19. On 8 February 2017, Executive Board recommended to Full Council that the revenue budget for 2017/18 be approved. This revenue budget included proposals to charge for inert waste, plasterboard and tyres. The revenue budget was subsequently approved by Full Council on 22 February 2017.
- 2.2 Implementation of the scheme was deferred in light of indications in the Government's Litter Strategy, published in April 2017, that further guidance and a potential review of legislation would be forthcoming in respect of local authorities' ability to charge for these wastes. However, the guidance has not yet been published, and, in any event, this will not alter the legislative position. For this reason, the Council intends to proceed with the implementation of charging as previously planned.
- 2.3 As a Waste Disposal Authority, Leeds is bound under the Environmental Protection Act 1990, Chapter 43, Section 51 (1) (b), to arrange for facilities to be provided at which its residents may deposit their household waste free of charge. These places are the eight HWRCs located around Leeds.
- 2.4 However, waste derived from construction activity (defined as including improvement, repair or alteration) is classed as 'industrial' under the Controlled Waste (England and Wales) Regulations 2012, Schedule 1, Section 3, Table Item 9.
- 2.5 Tyres are not classed as household waste.
- 2.6 The Council is therefore able to charge for the disposal of inert waste, plasterboard and tyres as they are not classed as 'household waste' and there is no legal duty to accept them free of charge. A significant proportion of local authorities across the country charge for these wastes, including neighbouring authorities Bradford and North Yorkshire, whilst Kirklees, for example, does not even accept inert wastes at all at its sites.
- 2.7 With the exception of asbestos, the Council does not currently charge for acceptance of these non-household wastes at its sites, but limits acceptance of these materials to five 25kg rubble sacks or one small car boot load per week. Residents are therefore aware that this waste is already treated differently to other types of waste.

### **3. Main issues**

- 3.1 In developing its proposals for charging, the Waste Management team has undertaken significant benchmarking with other local authorities, including all Core Cities, and benefited from their experience of implementing similar schemes.
- 3.2 As noted above, some authorities do not accept non-household waste at all and others have charging in place. The prices offered by those that charge range from approximately £2.50 to £4.00 for an equivalent sized bag (25 litre) for rubble/soil. Plasterboard is typically charged per sheet or equivalent bag, with standard sheet sizes differing by authority, but for comparison they range from £2.00 to £5.00 for a sheet of approximate size of 180 cm x 90 cm. Tyres attract a charge of anywhere from approximately £1.70 to £5.00 each, depending on size and whether they have been de-rimmed.
- 3.3 For rubble/soil, authorities price waste by volume, typically a 'builder bag' type container, or the equivalent in loose material. Plasterboard is priced by sheet or bag-full, with tyres and items such as bathroom furniture per piece.
- 3.4 A full matrix of prices has been developed, but the following provides an overview:
- The price of one 25 litre bag or equivalent of soil/rubble will be £2.60;
  - The price of one 25 litre bag or equivalent of plasterboard will be £4.80;
  - The price of one sheet of plasterboard up to 180 cm x 90 cm will be £3.00;
  - The price of one tyre (rimmed and de-rimmed) will be £1.50;
  - All single items will be £2.60 each.
- 3.5 These prices have been calculated based exclusively on recovering the estimated operational, administrative and disposal costs associated with dealing with these waste streams.
- 3.6 The majority of authorities require payment before the material is disposed of, but the price is agreed once the resident has presented their waste on site. Card payments are generally the only method of payment, with cash not widely accepted. One authority allowed advance payment for plasterboard.
- 3.7 The Waste and Resources Action Programme (WRAP), the UK non-profit recycling advisory organisation, recently surveyed local authorities' arrangements at their HWRCs. The findings showed that 18 authorities had charges for waste, and they had observed the following after the introduction of charging schemes:
- A reduction in tonnages;
  - Improved use of sites by reducing trade misuse;
  - Reduced use by non-residents;
  - Four authorities observed an increase in fly-tipping, but only in line with national trends, so not attributable to the introduction of charging;
  - Twelve authorities observed zero or minimal impact on fly-tipping.
- 3.8 Following consultation with residents (see section 4.1 below), Waste Management have developed supporting policies and processes to address concerns:
- If a resident arrives on site and has no method of payment, they will be able to phone a relative or friend who can pay over the phone with their card. Site staff will be fully trained to offer this method of payment;

- Staff will be trained to assess waste quantities using a universal approach based on volume. If a resident does not agree to the price or the assessment of their waste, they are not obliged to use the site for disposal and may seek an alternative means of disposal;
- Refunds will be offered where human error on the part of site staff has caused the incorrect amount of money to be charged, but not if a resident subsequently changes their mind about paying or disputes the amount after completing the transaction.
- If there is any evidence that a resident has fly-tipped their waste after refusing to pay the disposal charge, Waste Management will pass the resident's details on to the relevant Council enforcement team such that appropriate enforcement action may be taken.

3.9 Detailed 'Frequently Asked Questions' responses and communications materials have been developed to support the implementation. Signage will be utilised on the sites in advance of implementation to inform site users.

## **4. Corporate considerations**

### **4.1 Consultation and engagement**

4.1.1 The inclusion of this proposal within the 2017/18 Revenue Budget report to Executive Board and Full Council in early 2017 has provided an opportunity for Elected Members to identify any issues arising from the proposals.

4.1.2 Following the decision on the budget at Full Council, the Council undertook a formal consultation exercise to seek views from residents about the proposals before they were implemented. This was to enable the service to address any issues or concerns when developing the supporting policies and processes. 808 consultation responses were received.

4.1.3 Almost a third of respondents supported the proposal explicitly;

4.1.4 The main issues raised by those who expressed reservations were as follows:

- It could lead to an increase in fly tipping;
- It will cost the Council more to clear up the mess.

4.1.5 The Waste Management team has considered all the issues raised and sought to address them when developing supporting policies and processes. Section 3 above describes these policies and processes, and how the consultation issues raised above have been addressed.

4.1.6 In particular, benchmarking with other authorities has not identified evidence that the introduction of such schemes results in increases in fly-tipping. It is worth noting that similar concerns were expressed ahead of the introduction of charging for replacement bins and for the collection of bulky items earlier in the year, but these have not been borne out in reality. It should also be remembered that trade waste is already prohibited at the HWRCs, and that the Council already operates a commercial/large vehicle and trailer permit scheme in support of this.

4.1.7 In addition to this, the Executive Member for Environment and Sustainability has been consulted throughout the development of the proposals and is supportive of the approach.

## **4.2 Equality and diversity / cohesion and integration**

- 4.2.1 An Equality, Diversity Cohesion and Integration (EDCI) screening was undertaken in April 2017. Consultation on this screening was also undertaken with the Council's Equality Team.
- 4.2.2 Several potential EDCI impacts were identified, but all were addressed through identified actions and the development of the supporting policies and procedures outlined above.

## **4.3 Council policies and best council plan**

- 4.3.1 The recommendations in this report will support the delivery of the Council's revenue budget for 2017/18 and for subsequent years. This will clearly support the Council in delivering on its priorities as set out with the Best Council Plan.

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

- 4.4.1 It is estimated that this proposal would generate savings of £236,000 per year based on a combination of an expected reduction in these wastes being delivered to sites and a projected level of income from charging.

## **4.5 Legal implications, access to information, and call-in**

- 4.5.1 As noted above, waste derived from construction activity (defined as including improvement, repair or alteration) is not classed as 'household waste' under the Controlled Waste (England and Wales) Regulations 2012, Schedule 1, Section 3, Table Item 9. For this reason the Council is entitled to levy a charge for these wastes.
- 4.5.2 Although there are many authorities that charge for these wastes, it has been the subject of national debate, with Central Government expressing a view that 'DIY waste' should be considered as within the definition of 'household waste'. However, this is not supported by legislation as noted above, which makes it clear that these materials do not fall within the 'household waste' definition.
- 4.5.3 Central Government communicated last year their intention to review current guidance and to potentially review legislation to provide clarification on this issue, and this represents a potential risk. However, the guidance has not yet been published, and the legislative position remains the same. In addition, there are potential amendments to the scheme that could be made to address a future change in legislation which would not require wholesale changes to or a withdrawal of the scheme. Therefore, in light of the legislative support for charging for these wastes, and the need to deliver identified budget savings, the Council intends to proceed with implementation.
- 4.5.4 The Chief Waste Management Officer has authority to take this decision under the relevant scheme of delegation.
- 4.5.5 It is deemed to be a Significant Operational Decision due to its value, and is ancillary to the overall budget decision made by Full Council on 22<sup>nd</sup> February 2017. The decision is not therefore subject to call-in.

## **4.6 Risk management**

- 4.6.1 The risks and issues associated with the implementation of this scheme are discussed in Section 3 above, and in particular the perceived risk around a resulting increase in fly-tipping by residents. Supporting policies and procedures have been developed to mitigate these risks.
- 4.6.2 The Council considers the charging proposals as preferable to restrictions on the acceptance of these wastes as introduced by other authorities.
- 4.6.3 The risks in terms of legislative compliance are discussed in section 4.5 above.

## **5. Conclusions**

- 5.1 The proposals to charge for inert waste, plasterboard and tyres were included in the Revenue Budget report to Executive Board on 8 February 2017, and approved in principle by Full Council on 22 February 2017.
- 5.2 Following this, a robust set of supporting policies and procedures has been developed, based on benchmarking with other local authorities, a major public consultation exercise, and consultation with the Executive Member and the Council's Equalities Team.
- 5.3 It is estimated that this proposal will generate savings of £236,000 per annum.

## **6. Recommendations**

- 6.1 The Chief Officer for Waste Management is recommended to note the contents of the report, and approve the decision to implement charges for inert waste, plasterboard and tyres from February 2018.

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

- 7.1 Council Budget Motion – Report to Full Council, 22 February 2017
- 7.2 2017/18 Revenue Budget and Council Tax – Report to Executive Board, 8 February 2017.

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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.