

From: Simon Jones, Corporate Director for Growth, Environment & Transport

To: Susan Carey, Cabinet Member for Environment

Subject: Revised charges for non-household waste received at Household Waste Recycling Centres

Key decision 22/00113

Classification: Unrestricted

Electoral Division: Whole of County

Summary: Kent County Council charge for the disposal of soil, rubble, hardcore, plasterboard and tyres at the Household Waste Recycling Centres. This paper details a review of those charges and rationale for recommended increases.

Recommendation(s):

The Cabinet Member for Environment is asked to agree to increase disposal charges levied at the HWRCs for non-household waste materials and through the main delegations, via the Officer Scheme of Delegation, for the Director of Environment & Waste to review annually and publish charges in line with changing operational costs.

1. Introduction

- 1.1 KCC operates a network of 19 HWRCs across the county. A policy of charging for the disposal of non-household materials, namely soil, rubble, hardcore and plasterboard was introduced in June 2019. Prior to this, charges for the disposal of vehicle tyres were introduced in 2012.
- 1.2 These materials are treated as non-household waste, which is in accordance with the Controlled Waste Regulations 2012. KCC does not charge residents for any other items to be disposed of at HWRCs other than non-household waste.
- 1.3 Following a review of increases to disposal costs incurred by KCC through the respective material contracts, it is proposed to increase charges in line with inflation. Increases to these charges has not been accrued since the implementation of the policy.

2. The report

- 2.1 Fees were initially set and agreed in 2019 and were determined by several cost factors including disposal and treatment of the material, haulage, contractor management fees, administration fees and resources for the implementation of the service.
- 2.2 Each year, operating costs are increased for haulage and disposal rates for each of the material streams. These increases are based on actual inflationary changes, which are relevant to each materials contract.

- 2.3 Prices have not been reviewed since the commencement of the policy in June 2019. Each disposal contract attracts indexation each year and it is proposed to increase charges by subsequent years of indexation up to 2022 /23, from April 2023. Actual 2023/24 indexation will then be applied for charges from April 2024. These represent the additional costs applied to each of the relevant contracted rates and are the actual cost rises charged to the Waste Disposal Authority.
- 2.4 Increased charges are in line with rises in disposal gate fees, haulage costs and administration associated with updates to signage, data capture technology and communication of changes. Initial set up costs do not need to be included as these were one off expenditure items at the time of the implementation of the policy.

3. Financial Implications

- 3.1 The tables on the following page illustrate the cost increases not recovered for these services; these are compounded by the actual annual inflation for years 2020/21, 2021/22, 2022/23. This unrecovered income will represent an increase of payments charged to the users of the service from April 2023.
- 3.2 Actual inflation, due to be applied to disposal contracts in 2023/24 shall be applied to ensure full cost recovery to KCC. New charges effective from April 2024 will keep pace with costs for the wider service.
- 3.3 The MTFP has provided funding for cost inflation, this proposes to align cost and revenue income.
- 3.4 This policy has delivered cost avoidance, as residents have paid for the disposal of this non-household waste. It is also noted that other forms of disposal have increased, such as re-use and increased skip hire, this has created much needed capacity at the waste sites and has prevented the potential for further revenue and capital investment.

Material Type	2019 / 20 Combined Rate per tonne (haulage and disposal)	2019 / 20 - 23 / 24 Compounded 3 years inflation Increase in Rate %	Current charge	Proposed charge*
Soil, rubble and hardcore	£31.53	21.45%	£4 per bag	£5 per bag
Plasterboard	£93.09	21.45%	£6 per bag / sheet	£7.50 per bag / sheet

*The proposed charge has been rounded up to the nearest £0.50 to account for admin and contract management fees, and to make the price an easier amount for customers and site staff when calculating costs.

Material Type	2019/20 Spend - Haulage and disposal costs	2019/ 20 - 23 / 24 Compounded 3 years inflation Increase in Rate %	Current charge	Proposed charge**
Tyres	£22,712.80	21.45%	£2.50 per tyre	£3 per tyre

**The proposed charge has been rounded down to the nearest £0.50 for tyres to make the price an easier amount for customers and site staff when calculating costs. Note: admin fees and contract management fees accounted for in the rounding up of costs for soil, rubble, hardcore and plasterboard.

CPI Indexation applied for the above calculations.

Year	CPI Indexation Increases
Apr-20	0.80%
Apr-21	1.50%
Apr-22	9.00%
Apr-23	8.90%

4. Legal implications

- 4.1 These chargeable materials are treated as non-household waste. This is in accordance with the Controlled Waste Regulations 2012. There is no requirement to accept any waste other than a resident's own household waste free of charge at an HWRC.
- 4.2 The Government launched a consultation on preventing charges for DIY waste at HWRCs and called for evidence on booking systems.
- 4.3 The consultation closed on the 4th July 2022. The latest update posted 21st September 2022 states that; *2,240 responses were received, with the aim to publish the summary of responses and the government response in autumn 2022.*
- 4.4 Kent County Council responded to this consultation and was able to present clear data that shows that there is no link between such policies and fly tipping. The level of fly-tipped materials brought to KCC for disposal have remained broadly at the same level since 2014/15, with data showing that flytipping levels in Kent have gone down in the last financial year by around 1,000 tonnes (24%).
- 4.5 If legislation is changed by Government, then Kent County Council will have to review a number of its approved service policies.

5. Equalities implications

- 5.1 No equalities implications have been identified; an Equality Impact Assessment (EqIA), is appended to this report. An action plan which reflects the wider implications of the policy has already been implemented and remains relevant. This proposed increase in charging is not considered to be detrimental to any groups that may have protected characteristics.

6. Other corporate implications

- 6.1 There are no other functions which overlap or impact upon other areas of the Council's work.

7. Governance

- 7.1 Through the main delegations via the Officer Scheme of Delegation, it is proposed that the Director of Environment & Waste is to annually review and publish charges in line with changing operational costs.

8. Conclusions

- 8.1 Prices have not been reviewed since the commencement of the policy in June 2019. It is proposed to increase charges by subsequent years of indexation and actual inflation applied to contracts in 2023/24. These represent the percentage applied to each of the relevant contracted rates, which is the actual cost increase to the Waste Disposal Authority.

9. Recommendation

9.1 The Cabinet Member for Environment is asked to agree to increase disposal charges levied at the HWRCs for non-household waste materials and through the main delegations, via the Officer Scheme of Delegation, the Director of Environment & Waste to review annually and publish charges in line with changing operational costs.

10. Background Documents

Appendix A: Record of Decision

Appendix B: EQIA 2019 (reviewed 9th Dec 2022) :

<https://democracy.kent.gov.uk/documents/s115783/EquIA%20-%20Charging%20for%20non-household%20waste%20at%20Household%20Waste%20Recycling%20Centres.pdf>

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