

EAST AYRSHIRE COUNCIL

CABINET – 26 MARCH 2008

COMMERCIAL WASTE & ADDITIONAL UPLIFT CHARGES

Report by Executive Director of Neighbourhood Services

1. PURPOSE OF REPORT

- 1.1 To advise Cabinet on the commercial waste and additional household waste collection service and to seek approval for a proposed revised charging structure.

2. BACKGROUND

- 2.1 The introduction of kerbside recycling within East Ayrshire has enabled the Council to comply with and exceed all European landfill diversion and national recycling/composting targets to date. Recycling within the authority has risen from 7% in 2003/04 to over 36% by 2006/07.
- 2.2 Although there has been a significant increase in landfill diversion and recycling over the last 4 years, local authorities are obliged to further increase current waste minimisation and recycling rates in order to comply with challenging future targets.
- 2.3 Table 1 below illustrates the obligations placed upon East Ayrshire Council through national recycling and waste diversion targets, culminating with 70% recycling/composting of municipal waste by 2025 whilst limiting the quantities of residual waste permitted for residual waste treatment.

Table 1: Recycling Targets for East Ayrshire Council 2006 - 2025

Target Year	Scottish Government Recycling/Composting Targets	Landfill Allowance Scheme (Scotland)	Percentage of Permitted Municipal Waste Used for Energy Recovery
2006	25%	40,876 tonnes	
2007		33,775 tonnes	
2008	30%	32,232 tonnes	
2009		30,699 tonnes	
2010	40%	29,177 tonnes	4%
2013	50%		14%
2020	60%		25%
2025	70%		25%

- 2.4 In addition to the targets shown in Table 1 the Scottish Government have set local authorities the challenge of zero municipal waste growth by 2010. East Ayrshire's municipal waste growth currently stands at approximately 2% per annum.
- 2.5 Landfill disposal costs currently stand at £49.50 (£25.50 gate fee plus £24.00 landfill tax). These costs will increase from April 2008 to £58.50 (£26.50 gate fee plus £32.00 landfill tax per tonne). Landfill tax will increase at a rate of £8.00 per tonne per annum in accordance with the Landfill Tax Accelerator.
- 2.6 Although no additional funding has been made available, the Scottish Government has recognised the crucial role business has in attaining national waste targets. Recent Government analysis indicates that commercial waste accounts for approximately 15% of municipal waste collected by local authorities and should therefore be considered in waste recycling measures.

3. PROPOSAL

- 3.1 With the national targets of zero waste growth by 2010 and a limit being placed upon the quantities of waste permitted for residual waste treatment, local authorities are required to identify further waste minimisation and recycling opportunities.
- 3.2 One of the major contributors to East Ayrshire's waste is waste arising from the commercial sector. At present the Council offers businesses a separate uplift of cardboard, glass and cans.
- 3.3 East Ayrshire has approximately 1,950 commercial waste customers, all of whom have their residual waste uplifted by the Council. Of this total, 490 customers (25%) have their cardboard uplifted separately and 170 (9%) their glass and cans.
- 3.4 Last year (2006/07), East Ayrshire's total municipal waste arisings amounted to 73,976 tonnes. With reference to the Government's assumption that 15% of the total waste tonnage arises from commercial businesses, 11,096 tonnes of waste was collected from commercial premises last year.
- 3.5 To minimise the quantity of residual waste arisings and maximise the volume of recyclate collected from commercial premises the Council are required to revise the commercial waste and recyclate charging mechanism in order to encourage waste reduction.

- 3.6 The proposed residual waste charges take cognisance of the increased disposal costs associated with landfill. The charges also reflect the reduced costs of recycle uplift which do not have an associated disposal element. In addition, a uniform rate is applied to all recycle, providing greater clarity to existing and prospective customers.
- 3.7 It is proposed to increase current residual waste charges to reflect actual disposal costs whilst reducing recycle uplift charges by 35% of the residual waste charge to encourage recycling. Proposed charges are illustrated in Appendix 1 to this report.
- 3.8 It will also be necessary to consider increasing the cost of kitchen/bathroom suites to reflect the increase in collection and disposal costs.
- 3.9 In 2006/2007, there were 84 kitchen/bathroom suite uplifts. Appendix 2 to this report summarises the proposed charges for kitchen/bathroom suites for 2008/09.

4. FINANCIAL IMPLICATIONS

- 4.1 The proposed charging mechanism is reflective of increased collection and disposal costs.

5. LEGAL AUTHORITY / IMPLICATIONS

- 5.1 Nil

6. COMMUNITY PLAN / POLICY IMPLICATIONS

- 6.1 The revision of the commercial and domestic uplift charging mechanism is consistent with the Community Plan - Improving the Environment, the EC Landfill Directive 1999/31/EC, National Recycling/Composting Targets and the Landfill Allowance Scheme (Scotland).

7. CONCLUSION

- 7.1 East Ayrshire Council has, through kerbside recycling, attained and exceeded all European and national landfill diversion and recycling / composting targets to date. However analysis indicates a maximum recycling rate of approximately 40% within the confines of the current infrastructure.
- 7.2 In order to attain future waste diversion, and recycling targets, local authorities are obliged to identify areas with further recycling potential.

- 7.3 The Government has indicated that approximately 15% of municipal waste collected by local authorities is comprised of commercial waste. On this basis, 15% of municipal waste was over 11, 000 tonnes of commercial waste within East Ayrshire last year.
- 7.4 East Ayrshire Council has approximately 1,950 commercial customers, 25% of whom utilise the separate cardboard collection service and 9% the glass and cans service.
- 7.5 The proposed charges reflect the increased costs associated with landfill disposal, which will increase £8.00 per tonne per annum, whilst encouraging use of the Council's recycle collection services as well as providing greater clarity to current and prospective customers.

8. RECOMMENDATIONS

- 8.1 It is recommended that Cabinet:
- (i) approve the proposed commercial waste and additional uplift charging mechanism as highlighted in the report; and
 - (ii) otherwise note the contents of this report.

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WS/MT/DG

14 March 2008

BACKGROUND PAPERS

Nil

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COMMERCIAL CHARGES (PROPOSED) 2008/09
APPENDIX 1

Bin Size	Uplifts per Week	Existing Annual Charge 2007/08	Proposed Annual Charge (Residual) 2008/09	Proposed Annual Charge (Recyclate) 2008/09
		(incVAT)	(inc VAT)	(incVAT)
140 L	1	£58.24	£69.89	n/a
	2	£117.00	£140.40	n/a
	3	£177.84	£213.41	n/a
240 L	1	£118.56	£142.27	£92.48
	2	£236.08	£283.30	£184.14
	3	£355.16	£426.19	£277.02
	4	£473.72	£568.46	£369.50
	5	£591.76	£710.11	£461.57
330 L	1	£163.28	£195.94	£127.36
	2	£325.52	£390.62	£253.91
	3	£487.76	£585.31	£380.45
	4	£651.04	£781.25	£507.81
	5	£814.32	£977.18	£635.17
660 L	1	£325.52	£390.62	£253.91
	2	£650.52	£780.62	£507.41
	3	£976.04	£1,171.25	£761.31
	4	£1,301.56	£1,561.87	£1,015.22
	5	£1,625.52	£1,950.62	£1,267.91
1280 L	1	£493.48	£592.18	£384.91
	2	£986.96	£1,184.35	£769.83
	3	£1,479.92	£1,775.90	£1,154.34
	4	£1,971.32	£2,365.58	£1,537.63
	5	£2,465.84	£2,959.01	£1,923.36
Chamberlain	1	£502.32	£602.78	£391.81
	2	£1,004.12	£1,204.94	£783.21
	3	£1,505.40	£1,806.48	£1,174.21
	4	£2,009.28	£2,411.14	£1,567.24
	5	£2,511.08	£3,013.30	£1,958.64
Comm Sacks	1	£1.14	£1.37	£0.89
Loose Card	Regular User	n/a	n/a	£92.48
	High User	n/a	n/a	£184.14
Skip Hire	Per Skip	£120.73	£144.88	£94.17
Trade Waste deposited at Transfer Stations will be charged at £92.27 (inc VAT) per tonne with a minimum charge of £62.71 (inc VAT) per deposit.				

APPENDIX 2

BULKY HOUSEHOLD WASTE UPLIFT CHARGES (PROPOSED) 2008/09

	Kitchen Units & Bathroom Suites
Existing Charge 2007/08	£30.68 (+VAT) per suite
Proposed Charge 2008/09	£36.82 (+VAT) per suite

*VAT is set at 17.5%