

BRIEFING REPORT

Reversal of HWRC Disposal Charges



1. EXECUTIVE SUMMARY

This paper sets out in more detail the information set out in the Changes to Waste Services Executive Decision. These changes fulfil commitments set out in the new Administration's first 100 day plan.

Commitment Ref:	Commitment	Executive Decision required	Further points of clarification
86	We will scrap the charges to dispose of soil & rubble for local residents at Chelson Meadow.	Cessation of charges for the disposal of non-household waste at the Household Waste and Recycling Centre (HWRC).	This decision will remove all charges for the disposal of any type of non-household waste at the HWRC.

2. IMPLICATIONS OF EXECUTIVE DECISION ELEMENTS

2.1 FINANCIAL

The business case accompanying the Executive Decision to implement charges, which commenced on 26 January 2021¹, forecast an overall annual budget improvement of £130,000 compared to 2019/20. This forecast was the net position after taking into account the following: the reduction in Council onward disposal costs due to the anticipation of significant reductions in materials presented by residents; the income from charges; and finally the costs of implementing the changing including staffing, capital works and payment charges.

The latest forecasts demonstrate that £130,000 can be recorded as the ongoing annual financial impact of ceasing the charges.

This is based upon the following data and intelligence:

- **Income:** From the date of implementation to the end of May 2021 we have generated a total net income of £39,284 which if projected forward for a full year, and allowing for a reducing trend as more residents become aware of the charges, would broadly meet the original business case estimate of £101,000 annual net income within a tolerance of 10%.
- **Disposal costs to the Council:** The business case which accompanied the Executive Decision published in December 2020 assumed the charges would result in an 80% reduction in tonnages for the relevant materials at the HWRC and therefore lead to a saving in our disposal costs. This was based upon the experience of neighboring Local Authorities when they implemented similar charges. The data is not currently available to accurately assess the impact on tonnages and therefore the 2020 business case estimate has been used.
- **Cost of implementation:** These costs which include associated Capital repayments are assumed to have remained as forecast in the original Business Case. However, these costs may have reduced, particularly the allowance for greater capital works subject to the ongoing demand at the site which is being monitored as coronavirus related restrictions are lifted.

¹ <https://democracy.plymouth.gov.uk/ieDecisionDetails.aspx?ID=3817>

2.2 ENVIRONMENTAL & OPERATIONAL

2.2.1

The decision to implement charges for non-household waste at the HWRC was partly built upon the expected environmental benefits, which would have resulted from **reducing** waste disposal in the City. The Business Case referenced the experience of Devon County Council following the implementation of charges in the County and it was anticipated that Plymouth would also observe more residents adhering to the sustainable waste hierarchy by **reducing, reusing** and **recycling** materials. The text below was extracted from a Devon County Council Scrutiny report presented 6 months after implementing similar charges in 2011, the author stated the following:

“The charging scheme does seem to have led to significant behaviour change amongst site users. Anecdotally, people are reporting more re-use of waste (e.g. patio slabs being re-used via Freecycle; sanitary ware sold on eBay), landscaping plans altered to avoid the costs involved in disposing of soil and excess soil being used to create raised flower beds in gardens. These examples indicate that the charges are causing people to think more about the waste they generate and promoting ‘reduction’ and ‘re-use’ on the waste hierarchy, above recycling, which is a good thing. Data obtained from the Environment Agency suggests that skip hire companies are seeing an overall increase in tonnages handled across Devon, suggesting that more people are considering such alternatives to responsibly deal with their waste.”²

Whilst it is recognised that the changes made a positive impact on the reduction of waste, more yet also needs to be done to boost **recycling** and **reuse** rates. Removing disposal charges is expected to encourage residents to bring waste to the HWRCs to be processed which may be recycled or even reused. Moreover, this measure is likely to prevent a potential increase in fly tipping by the small minority who are not willing to pay the existing fees as well as other bad practice, such as depositing waste in green and brown household bins.

2.2.2

Members of staff with the Recycling Assistant job title had their role profiles re graded, from a grade B to a C, partly to take into account the increased responsibilities associated with handling payments from customers. This was in addition to other changes to the role, which included the processing of hazardous materials. The removal of the responsibilities related to this Executive Decision through the Job Evaluation process could result in a grade reduction for the Recycling Assistants, although the Service will evaluate those additional responsibilities that are currently being undertaken – such as the grading of waste for reuse. If the grade reverts to a B, then the financial impact for staff will be a reduction of £379 annually and the removal of the ability to progress up the grade C pay scale, which would mean a further £1,159 annually each by October 2023. These figures do not take into account any inflationary increases. These figures relate directly to the 12 Recycling Assistant Council employees but will also affect a further 14 Agency staff, whose rate of pay is determined by the grade of the post.

3. DECISION SUMMARY

The Leader of the Council, Nick Kelly, is to approve the cessation of charges for the disposal of non-household waste at the Household Waste and Recycling Centre (HWRC)

² Review of Fly-tipping in Relation to Policy Changes for Recycling Centres (Civic Amenity Sites) for the Financial Year 2011/12. Devon County Council, Place Scrutiny Committee, 4 Sept 2012.