

**NORTH LINCOLNSHIRE COUNCIL**

**HIGHWAYS & NEIGHBOURHOODS  
CABINET MEMBER**

**CONTROLLED WASTE REGULATIONS 2011**

**1. OBJECT AND KEY POINTS IN THIS REPORT**

- 1.1 The object of this report is to advise members on proposed changes to the legislative framework that underpins the collection and disposal of waste by the council.
- 1.2 Key points in this report are:
- The Controlled Waste Regulations, originally enacted in 1992, have been subject to a review by HM Government.
  - The regulations provide formal definitions of waste types and assist the council with the effective discharge of its statutory obligations with regard to the collection of that waste.
  - Revisions to the regulations will widen the scope and ability of the council to levy charges for the service it delivers in certain prescribed circumstances.
  - Agreement is required on the extent of the charging scheme to be implemented.

**2. BACKGROUND INFORMATION**

- 2.1 The Controlled Waste Regulations 1992 (CWR) provided statutory definitions of household, commercial and Industrial waste for the benefit of local authorities and the effective discharge of their legal duty with regard to the collection and disposal of these waste streams.
- 2.2 Schedule 2 of the CWR also prescribe the circumstances in which local authorities can charge for the collection and disposal of waste, including certain forms of household waste, from both domestic and non-domestic sources.
- 2.3 A review of the CWR has been completed by HM Government in response to criticism that the original regulations unfairly insulated

certain organisations from the full cost of handling their waste. The CWR are also believed to be a barrier to more sustainable waste management and restrict the ability of local authorities to make funding decisions based on local priorities.

- 2.4 Appended to this report is a matrix, which attempts to capture the proposed changes made to the regulations and recommends the action to be taken. If approved, these will take effect from 1 April 2012. The major amendments include a change in definition of waste generated by specified types of premises and the ability of the council to levy charges for the disposal of waste collected.
- 2.5 The effect of amending the definition of waste from household to commercial means that the council is only required to provide a service for the latter if expressly requested to do so and charges must be levied. The duty to collect and the discretion to levy charges for household waste remains unaffected.
- 2.6 In 1992, the cost of waste disposal was a small proportion of the overall cost of service provision. Today, with the addition of landfill tax, disposal costs place a significant financial burden on the council. Previously, certain types of premises, including hospitals, educational establishments, care homes, royal palaces and those occupied by charities were all exempt from the requirement to reimburse disposal costs. This is no longer the case and the council now has discretion to recover, in full, the disposal costs incurred.

### **3. OPTIONS FOR CONSIDERATION**

- 3.1 Option1: The council chooses to exercise its discretion to levy charges for the collection and disposal of all prescribed forms of household waste listed in the appendix to this report.
- 3.2 Option 2: The council chooses to exercise its discretion and levy charges for the collection and disposal of some, but not all, prescribed forms of household waste listed in the appendix to this report. This is the recommended option.

### **4. ANALYSIS OF OPTIONS**

- 4.1 Currently, the council levies charges for the collection only, of all prescribed forms of household waste with four exceptions: bulky household items; garden waste from households; clinical waste from households and schools; separately collected recyclable material from schools. Disposal charges could not be levied under the original Regulations.
- 4.2 The waiver of charges for clinical waste acknowledges the 'special circumstances' of a relatively small number of healthcare patients within the community and of some children with pre-diagnosed

conditions in full time education. These circumstances remain unchanged and central government advice supports the position adopted by this and most other councils of offering a 'free' service.

- 4.3 The introduction of separate collections of garden waste (the brown bin scheme) was prompted by the need to divert biodegradable waste away from landfill and achieve imposed targets for recycling. This has not changed. This universal service is highly valued and avoids the payment of large sums in landfill tax. Levying a charge would discourage the diversion of this material and create environmental problems.
- 4.4 In November 2008, the council introduced separate collections of recyclable materials to schools within North Lincolnshire. Previous attempts had met with difficulty due to the reluctance on the part of schools to meet the additional costs involved. Charges were subsequently waived following a successful pilot scheme in Barton and the initiative was extended to all schools. The intention of the scheme is primarily to raise awareness of recycling amongst children and improve the overall environmental performance of schools. For this reason it is recommended that the status quo is retained.
- 4.5 The inclusion of waste generated from campsites, caravans, holiday accommodation, premises occupied by charities (not to be confused with charity shops), village halls and other premises used for public meetings, GP surgeries and royal palaces within the definition of commercial waste means the council is now compelled to charge for both collection and disposal.
- 4.6 The ability of the council to levy both collection and disposal charges for waste generated by other public funded bodies including schools, colleges, universities, hospitals, residential care homes and penal institutions, is an acknowledgement that local authorities should no longer be required to subsidise the activities of these financially independent organisations. It is also believed that by levying the true cost of managing waste outputs, these organisations will be incentivised to improve their environmental performance. Where full cost recovery is proposed, it is recommended that a phased approach over two years is adopted.
- 4.7 The distinction now made between premises occupied by charities and charity shops, is a reflection of the impact such organisations have on the waste agenda. In many cases, charity shops are engaged in waste re-use and/or recycling to fund a specific cause e.g. Lindsey Lodge Hospice, and which have a positive benefit on the waste management agenda. Conversely, some premises occupied by organisations that enjoy charitable status, contribute very little, if anything, to the sustainable management of waste.

## **5. RESOURCE IMPLICATIONS (FINANCIAL, STAFFING, PROPERTY, IT)**

- 5.1 If the recommendations in the Appendix to this report are approved in full, the financial impact will be a marginal increase in income in each of two years - 2012/13 and 2013/14. This assumes no loss of business as a consequence of any price rises imposed.
- 5.2 A number of those premises identified, e.g. Care Homes, are in the ownership/management of the council and any additional income recovered will be offset by an increased cost imposed on the relevant Directorate. In these instances the financial impact on the council will be neutral unless the respective Facility Managers elect to outsource the service.
- 5.3 Where a free or reduced cost service is provided e.g. recycling in schools, the provision of this service should be conditional on the use, by the organisation concerned, of the council's rechargeable residual waste collection service.

## **6. OTHER IMPLICATIONS (STATUTORY, ENVIRONMENTAL, DIVERSITY, SECTION 17 - CRIME AND DISORDER, RISK AND OTHER)**

- 6.1 The statutory duty placed upon the council, as a Waste Collection Authority, to make arrangements for the collection and disposal of defined household waste is unaltered.
- 6.2 Enabling the council to properly reflect the full cost of waste collection and disposal in charges levied on waste producers is an extension of the 'polluter pays principle'. Waste prevention strategies and more sustainable management of waste will be encouraged.
- 6.3 Some waste producers, previously exempt from the payment of charges, may seek to avoid increased costs by falsely consigning their waste and/or disposing of it unlawfully.
- 6.4 The revised regulations acknowledge the good work, in both waste management and broader terms, undertaken by charity shops and other community reuse groups and these remain exempt from disposal charges.

## **7. OUTCOMES OF CONSULTATION**

- 7.1 This is a legislative requirement. The revised Regulations have been formulated following responses received from local authorities throughout England. The discretion to levy charges lies exclusively with the council.
- 7.2 The Director of Finance Services understands that the precise impact financially cannot readily be quantified. It is likely to be a five figure rather than a six figure impact.

## 8. RECOMMENDATIONS

- 8.1 That the proposed changes to the Controlled Waste Regulations are noted and subject to the enactment of the Regulations, those amendments to the existing charging regime, detailed in the Appendix to this report, are agreed.
- 8.2 Subject to 8.1 above, the agreed changes are reflected in revised fees and charges to be implemented on 1 April 2012.

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**Background Papers used in the preparation of this report - None**

**REVIEW OF CONTROLLED WASTE REGULATIONS – SCHEDULE 2 (Types of Household Waste for which charges may be made)**

<b>Waste Source</b>	<b>Existing waste classification</b>	<b>Proposed waste classification</b>	<b>Charge for collection</b>	<b>NLC Position Existing</b>	<b>Charge for disposal</b>	<b>NLC Position Existing</b>	<b>Recommendation</b>
<b>Bulky Household Items</b>	Household	Household	Yes	No	No	No	No Change
<b>Garden waste</b>	Household	Household	Yes	No	No	No	No Change
<b>Clinical waste from premises used wholly for living accommodation</b>	Household	Household	Yes	No	No	No	No Change
<b>Dead domestic pets</b>	Household	Household	Yes	No service	No	No	No Change. Accident victims and strays only
<b>Asbestos, grease, mineral or synthetic oil</b>	Household	Household	Yes	No service	No	No	No Change. Facilities provided through HRC's
<b>Waste from camp sites and tents on other sites</b>	Household	<b>Commercial</b>	Yes	Yes	<b>Yes</b>	No	<b>Full cost recovery</b>
<b>Waste from caravans not allowed for use throughout the year</b>	Household	<b>Commercial</b>	Yes	Yes	<b>Yes</b>	No	<b>Full cost recovery</b>
<b>Waste from properties used for self catering holiday accommodation</b>	Household	<b>Commercial</b>	Yes	Yes	<b>Yes</b>	No	<b>Full cost recovery</b>
<b>Premises occupied by a charity and used wholly or mainly for charitable purposes</b>	Household	<b>Commercial</b>	Yes	Yes	<b>Yes</b>	No	<b>Full cost recovery.</b>
<b>Waste from Charity shops and re-use organisations</b>	Household	Household	Yes	Yes	No	No	No Change
<b>Premises used wholly or mainly for public meetings</b>	Household	<b>Commercial</b>	Yes	Yes	<b>Yes</b>	No	<b>Full cost recovery.</b>
<b>Waste from Royal Palaces</b>	Household	<b>Commercial</b>	Yes	Yes	<b>Yes</b>	No	<b>Full cost recovery</b>

<b>GP Surgeries (excluding clinical waste)</b>	Industrial	<b>Commercial</b>	Yes	Yes	<b>Yes</b>	Yes	<b>Full cost recovery</b>
<b>Premises forming part of a school, university or other education establishment</b>	Household	Household	Yes	Yes	<b>Yes</b>	No	<b>Residual waste only.</b> Recycling collections free.
<b>Litter and refuse collected from land under the control of educational institutions</b>	Household	Household	Yes	Yes	<b>Yes</b>	No	<b>Full cost recovery</b>
<b>Waste from premises forming part of a hospital or care home</b>	Household	Household	Yes	Yes	<b>Yes</b>	No	<b>Full cost recovery.</b>
<b>Waste from Penal Institutions</b>	Household	Household	Yes	Yes	<b>Yes</b>	No	<b>Full cost recovery</b>
<b>Waste from Transit sites for Gypsies and Travellers</b>	Not classified	<b>Household</b>	<b>No</b>	No	<b>No</b>	No	No Change

Notes:

- (1) Proposed changes to the Regulations and Recommendations are highlighted in **Red**. Where full cost recovery is proposed, this will be phased over 2 financial years to mitigate any potential loss of business.
- (2) Waste Collection Authorities (WCA) have a legal duty to collect Household Waste, if requested. The requirement to charge for the collection and/or disposal of Household waste is discretionary.
- (3) Where the legal definition of the waste has changed from Household to Commercial, WCA's shall make a charge, unless it is deemed inappropriate to do so.