

SURREY COUNTY COUNCIL

MRS NATALIE BRAMHALL, CABINET MEMBER FOR PROPERTY AND WASTE

DATE: 29 August 2023

LEAD OFFICER: KATIE STEWART, EXECUTIVE DIRECTOR, ENVIRONMENT, TRANSPORT AND INFRASTRUCTURE

SUBJECT: Amendment to Construction Waste Charging Policy at Surrey's Community Recycling Centres

ORGANISATION Enabling A Greener Future
STRATEGY
PRIORITY AREA:



SURREY

SUMMARY OF ISSUE:

Surrey County Council (SCC) as the statutory Waste Disposal Authority (WDA) is responsible for the provision of Community Recycling Centres (CRC). These are currently operated by our contractor SUEZ.

The types of waste that a WDA must accept free of charge at its community recycling centres is set out in the Controlled Waste Regulations 2012. These regulations make it clear that the WDA does not have to accept 'waste from construction or demolition works including preparatory works' even if this arises from domestic premises. To this end, on 1 September 2016, SCC introduced charges for construction waste at its community recycling centres.

However, on 18 June 2023, the Government announced it will be changing the law to require WDAs to accept small amounts of construction waste from residents free of charge, such waste arising from DIY construction activities by the resident. It is proposed to mirror this exactly in Surrey and implement the change on 1 September 2023.

RECOMMENDATIONS:

It is recommended that the Cabinet Member:

1. Approves the proposed changes to the Council's policy for the acceptance of construction waste at its community recycling centres to enable residents to bring small amounts of construction waste from do-it-yourself activities free of charge in accordance with the changes to the Controlled Waste Regulations 2012 as proposed by Government.

REASON FOR RECOMMENDATIONS:

To ensure that Surrey County Council complies with the change in law proposed by Government.

Proposed Changes to Construction waste charging policy

Current Position

1. Surrey County Council (SCC) as the statutory Waste Disposal Authority (WDA) is responsible for the provision of community recycling centres (CRCs). These are currently operated by our contractor SUEZ.
2. On 24 November 2015, Cabinet resolved to introduce charges for construction waste at Surrey's CRCs whilst allowing a free daily allowance of one bag of construction waste per resident per day. The charging scheme came into effect on 1 September 2016.
3. Subsequently, on 26 September 2017 Cabinet resolved to remove the free daily allowance for construction waste, and this came into effect on 4 December 2017.
4. The position taken by SCC with regard to charging is similar to most of our neighbouring WDAs, although not all WDAs in the country have adopted this position.
5. The introduction of charging, together with other controls at our community recycling centres, such as the van permit system has led to a significant reduction in overall tonnages of waste that we manage at our CRCs, from just under 140,000 tonnes in 2015/16 to around 80,000 tonnes in 2022/23. Regarding chargeable waste (rubble, soil and plasterboard), the tonnages reduced from around 25,000 tonnes in 2015/16 to just over 3,000 tonnes in 2022/23
6. That reduction in overall tonnages, together with recovery of costs for dealing with the remaining tonnage of chargeable waste, has resulted in a significant financial saving to SCC of around £3 million per year.
7. Analysis of Surrey Environment Partnership kerbside composition analysis data and data from the weighbridges at our waste transfer stations has shown that the introduction of charges has had no impact on the amount of soil or rubble found in residents' kerbside collected bins or the quantity of fly tipped material collected by district and borough councils.

Proposals

8. Over the last couple of years, the Government has signalled its intention to make changes to legislation to require local authorities to accept DIY from householders free of charge, and in April 2022 it ran a consultation with stakeholders across the country on proposals to this effect.
9. Following the outcome of that consultation, the Government announced on 18 June 2023 that it will be changing the law to require WDAs to accept small amounts of construction waste from residents free of charge, such as waste arising from DIY construction activities by the resident. It did not indicate a date

by which it intended to change the law, other than it would be 'this year;' however, it did set out both the amounts of waste and frequency of visits that the changes would accommodate. Specifically, WDAs will be required to accept up to two 50-litre rubble bags or one large item no larger than 2m x 0.75M x 0.7M per household at a maximum frequency of 4 visits over 4 weeks.

10. The Government have indicated that it expects local authorities to absorb any increase in costs. To mitigate the resulting increased cost in providing waste disposal services, it will be important to ensure that the new allowances are not misused, and therefore that the acceptance of DIY waste is monitored.
11. This will mean that rubble, soil, and plasterboard will continue to be accepted at nine of our fifteen community recycling centres where we have suitable control measures in place. Access to the rubble and plasterboard containers will continue to be controlled and monitored as it is now, and a new monitoring system will be introduced using the automatic number plate recognition system to ensure usage is monitored. If residents wish to dispose of material in excess of their 4-weekly allowance, then they will still be able to do so but charges will be levied as they are now. A charge will continue to be made for disposal of vehicle tyres.
12. It is proposed to introduce these changes at the Council's CRCs from 1 September 2023.

CONSULTATION:

13. A Government consultation on a proposed change to legislation which ran from April to July 2022 attracted 2238 responses. The majority of these responses (1775) were from householders, but it also included 127 local authorities. Of these responses, a significant majority were in favour of making changes to the legislation to allow free deposit of small amounts of construction waste by householders.
14. Given the uncertainty around when the Government is proposing to change the law and the relatively long lead-in time to secure a Cabinet Decision it is considered prudent to proceed with a decision as soon as possible. In view of this, the proposed change of policy has not yet been considered by the Communities, Environment and Highways Select Committee.

RISK MANAGEMENT AND IMPLICATIONS:

15. Whilst the policy change will likely be welcomed by residents, any change in policy or protocol at a customer-facing facility like a CRC comes with its own risks. These risks range from those associated with ensuring the contractor and service can deliver the changes effectively, as well as ensuring the controls in place currently can be adapted as seamlessly as possible to accommodate the change in policy, to those associated with customers understanding the change.
16. On the former, work has been underway with the Council's contractor, Suez, to prepare and plan for the necessary changes. On the latter, the waste

team is working closely with the communications team to ensure that the proposed change in policy, if adopted, will be publicised with clear detail on the types and quantities of waste that will be accepted free of charge and what will continue to be chargeable.

17. In addition, there is a risk that the Government could make further changes to the proposals in the final legislative changes, but it is anticipated that these will likely be minor in nature.
18. The most significant risks are related to the financial risks as outlined below.

Financial and value for money implications:
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19. It is anticipated that the proposal to implement a free allowance for construction waste will result in increased costs for SCC. This will occur as a result of both a loss of income from charging plus the cost of disposing any additional waste that residents may choose to bring to the CRCs once charges are removed for the category of waste in question.
20. In addition to the likely increase in DIY waste, there is an indirect risk that other types of waste which are closely associated with DIY waste may also increase. Since the introduction of charges in 2016, the Council has seen a decrease in all types of waste brought to our CRCs, including wood. Wood is often associated with construction activities, and officers believe that the reduction in wood tonnages may have been associated with residents hiring skips to dispose of their construction waste. Officers therefore believe that it is a possibility that once charging is removed for small quantities of rubble, soil and plasterboard, there may also be an increase in wood brought to the CRCs.
21. In a worst-case scenario, if both construction waste tonnages and wood waste tonnages returned to 75% of their pre charging (2015/16) levels, there would be an additional cost to SCC of £1.12m per year.
22. However, given the very limited quantities of construction waste covered by the proposed legislative changes, officers anticipate that the additional costs can be contained at a figure significantly below this worst-case estimate. This assessment is based on analysis of the tonnage of construction waste brought to the site between September 2016 and August 2017, when charges were first introduced with a free daily allowance of one bag of construction waste. During this period, 5732 tonnes of soil, rubble and plasterboard were brought to the CRCs which is about 27% of the tonnage of construction waste dealt with in the 12 months immediately prior to the introduction of charges.
23. So, for example if tonnages of rubble soil and plasterboard were to double from their current levels of 3000 tonnes per year to a level of 6000 tonnes per year and income from charging were to decrease by 50%, the Council's costs would increase by just under £0.25m per year.

24. Further, as set out above, it is proposed to mitigate any increase in costs by maintaining existing controls over the disposal of rubble, soil, and plasterboard to ensure that the acceptance policy for free disposal of construction waste is strictly adhered to.

Section 151 Officer commentary:

25. Significant progress has been made in recent years to improve the Council's financial resilience and the financial management capabilities across the organisation. Whilst this has built a stronger financial base from which to deliver our services, the increased cost of living, global financial uncertainty, high inflation and government policy changes mean we continue to face challenges to our financial position.
26. This requires an increased focus on financial management to protect service delivery, a continuation of the need to be forward looking in the medium term, as well as the delivery of the efficiencies to achieve a balanced budget position each year. In addition to these immediate challenges, the medium-term financial outlook beyond 2023/24 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority, in order to ensure the stable provision of services in the medium term.
27. The proposed change to the Council's policy for accepting construction waste at CRCs is required to ensure the Council continues to comply with relevant legislation. Those changes are expected to result in additional costs, currently estimated at £0.25m over a whole financial year, subject to the actual volume of waste disposed of, for which the Council does not expect to receive additional funding. Additional costs will therefore need to be met within the Council's budget for the remainder of this year and will be taken into account as the Council develops its Medium-Term Financial Strategy for future years.

Legal implications – Monitoring Officer:

28. The proposal set out within this report will become a requirement of the Controlled Waste Regulations in due course and as such the Council will be required to amend the CRC charging policy to reflect the proposals. The Cabinet member is however being asked to adopt the changes in advance of the amendment of the Regulations. Given the projected cost of £250k per annum associated with this change, the Cabinet Member has the power to make this decision.

Equalities and diversity:

29. An equality impact assessment (EIA) was undertaken on the proposed introduction of charges for non- household waste as part of the Cabinet

decision on 24 November 2015. The EIA did not identify that the changes would disproportionately impact persons with protected characteristics.

30. There is no reason to believe that the changes that are proposed would change the result of this assessment.

Other implications:

31. The potential implications for the following Council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No significant implications arising from this report
Safeguarding responsibilities for vulnerable children and adults	No significant implications arising from this report
Environmental sustainability	No significant implications arising from this report.
Public Health	No significant implications arising from this report.

WHAT HAPPENS NEXT:

32. If the recommendations in this report are approved, the policy, allowing householders to deposit small amounts of construction waste from DIY activities, free of charge, as per the change in national policy, will be implemented at all nine CRCs accepting construction waste, from 1 September 2023.
33. The change will be publicised on the Council's website and more widely via communications in the press and on social media.
34. The changes will be closely monitored to determine the financial impact on the end of year budget outturn.

Contact Officer:

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Consulted:

Cabinet Member for Property and Waste

Annexes:

None

Sources/background papers:

- Cabinet Reports 24 November 2015 & 26 September 2017
 - Government press release 18 June 2023
 - Controlled Waste (England & Wales) Regulations 2012 SI 2012 No 811
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