

Members' Library Service Request Form

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Originator	Sarah Oliver
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Document Title	Trade Waste Charges 2020-21

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East Lothian Council

Additional information:

Authorised By	Tom Reid
Designation	Head of Infrastructure
Date	11/11/19

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REPORT TO: Members' Library Service

MEETING DATE: November 2019

BY: Head of Infrastructure

SUBJECT: Trade Waste Charges 2020/21

1 PURPOSE

- 1.1 To update members on the Trade Waste Charges for financial year 2020/21.

2 RECOMMENDATIONS

- 2.1 Members are asked to note the contents of this report.

3 BACKGROUND

- 3.1 East Lothian Council has a duty to collect trade waste when requested. Collection services are currently provided to around 1,000 business premises on a once or twice weekly basis. The charges for trade waste services are set to recover the full cost of providing the services. Trade waste charges have increased from 2019/20 by on average 4.49%

Change from 2019/20

Service	19-20	20-21	% increase
140 litre bin	£156.00	£163.00	4.49%
240 litre bin	£268.00	£280.00	4.48%
360 litre bin	£402.00	£419.00	4.23%
660 litre bin	£713.00	£746.00	4.63%
1100 litre bin	£1,188.00	£1,243.00	4.63%
Orange sacks	£4.66	£4.87	4.49%
Recycling Centre per sack	£2.56	£2.67	4.49%
Transfer Station per tonne	£166.00	£174.00	4.82%
Skip Hire	£722.00	£754.50	4.50%
Special Uplifts	£200.00	£209.00	4.50%

Charges 2020/21:

Waste Collection and Disposal Charges 2020/21			
Wheeled Bins (Litres)	Once Weekly Annual Charge	Twice Weekly Annual Charge	Cost to Purchase Container
Orange Sacks			£4.87
140	£163.00	£326.00	£38.00
240	£280.00	£560.00	£38.00
360	£419.00	£838.00	£75.00
660	£746.00	£1,492.00	£250.00
1100	£1,243.00	£2,486.00	£315.00
			VAT on Disposal
Recycling Centre	Cost per sack	£2.67	£3.21
Transfer Station	Cost per tonne (minimum 1/2 tonne charge)	£174.00	£208.80
Skip Hire	Cost to hire skip (includes disposal charge)	£754.50	£905.40
Special Uplifts	Cost per lift (maximum of 20 sacks)	£209.00	

- 3.2 The collection of commercial waste by Local Authorities is considered to be outside the scope of VAT. HMRC has concluded that s.45 (1) (b) Environmental Protection Act 1990 is a special legal regime and concluded that waste collected under s.45 (1) (b) can be treated as non-business supply under section 41A of the VAT Act. Therefore VAT is not charged for collection services with the following exception;
- 3.3 Supplies to third party waste management companies. HMRC consider that in the circumstances where a business that produces waste has contracted with a waste management company to uplift that waste from its premises and the waste management company subsequently sub contracts the service to the local authority, then the supply of the waste collection service by the Local Authority is to the waste management company in the first instance and not the producer of waste. These supplies are not covered by s.45 (1) (b) as it is not the 'occupier of premises' that is requesting the collection. Thus such supplies should be treated as business standard rated for VAT purposes.
- 3.4 VAT is however to be applied on all disposal operations, such as skip hire and use of the Recycling Centres and Waste Transfer Station.

- 3.5 The Waste (Scotland) Regulations 2012 require all businesses to separate paper and card, plastic, metal and glass from the rest of their waste. The Council has dual roles within the regulations as both a potential service provider and also to ensure businesses and waste service providers are complying with the new regulations.
- 3.6 As a service provider it's expected that the Council's Waste Services is able to offer customers a kerbside collection for these materials as part of their Trade Waste Service portfolio. Waste Services provides each of our external business customers with, as a minimum, a set of boxes on a fortnightly collection service through our service partner Biffa and a recycling permit so they can take material to our Recycling Centres and Points. These service components are provided as an integrated part of our trade services alongside the non-recyclable waste collections.
- 3.7 There is also a requirement for businesses (within a postcode classification area) that produce more than 5kg of food waste per week to present this separately for collection. Waste Services do not operate a commercial food waste collection service and instead currently meet our obligations by signposting businesses that require this type of collection to a local service operator.
- 3.8 Businesses wanting a glass and can collection who are not trade waste customers will be charged. Currently the charge is £400.00 per 1100 litre bin collected weekly and £100.00 per 240 litre bin collected weekly. The annual cost to purchase a Recycling Permit to allow businesses to bring specified separated material to the Recycling Centres will be £195.60 (includes VAT).

4 POLICY IMPLICATIONS

- 4.1 There are no policy implications regarding the proposed charges, as these just reflect the cost of providing this statutory service.

5 INTEGRATED IMPACT ASSESSMENT

- 5.1 The subject of this report does not affect the wellbeing of the community or have a significant impact on equality, the environment or economy.

6 RESOURCE IMPLICATIONS

- 6.1 Financial - the charges are set to ensure that all overheads incurred by Waste Services through carrying out trade waste collections are recouped. The income is part of Waste Services overall budget.
- 6.2 Personnel – none.
- 6.3 Other – none.

7 BACKGROUND PAPERS

7.1 None.

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DATE	11 November 2019