

Onchan District Commissioners



Waste Management Strategy : Consultation

October 2005

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INDEX

1.0 Introduction

2.0 Onchan District Commissioners – Waste Management Service

2.3 Infrastructure

2.4 Staffing

2.5 Onchan District Commissioners – Kerbside Collection

2.6 Service Provision

2.7 Service Adaptability

2.8 Expertise

3.0 Key Issues

4.0 The Need to Introduce Kerbside Collection

5.0 Revised Charging

6.0 Common Charging System for Commercial Premises

7.0 All Island Civic Amenity Site Provision

8.0 A Partnership Structure for Waste Management

9.0 Financial Implications for Onchan

10.0 Summary

1.0 INTRODUCTION

- 1.1. This report is prepared in response to a letter received dated 19th September 2005 from the Chief Executive of the Department of Local Government and the Environment which was accompanied by a document entitled "Waste Management Consultation", dated September 2005 from the Department of Local Government and the Environment.
- 1.2. The letter stated that in November 2000 the Department published the Island's first management plan which was set within the context of three important documents namely:-
 - The waste management strategy approved by Tynwald in the 1990's;
 - The emerging all-Island strategic plan, which was to incorporate a section dealing with waste management; and
 - The Isle of Man Government's policy review report for that year which proclaimed the Department's intention to publish a waste management plan for the Island.
- 1.3. It went on to say that the 2000 Waste Management Plan recognised the essential need to ensure that it continued to truly reflect changes in the planning or regulatory framework on the Island and changes in waste generation policy and practice. This was particularly relevant in relation to waste collection, recovery, re-use, recycling, treatment and disposal. Consequently, the Waste Management Plan stated that there would be a major review and that it should be updated every five years, the first review being scheduled to take place during 2005.
- 1.4. It was confirmed that the Department had prepared a waste consultation document a copy of which was enclosed. The document launched an interim consultation and was not intended to cover the full range of issues that would need to be discussed in the context of the Island's waste strategy. However, the issues that it did include were regarded by the Department were those which were key to taking matters forward at this stage.
- 1.5. The report has been considered by the Onchan District Commissioners and the following comments have been formulated following a detailed analysis of the impact that the proposed stated objectives would have both for the Onchan District Commissioners and for the people of the District.

2.0 ONCHAN DISTRICT COMMISSIONERS – WASTE MANAGEMENT SERVICE

2.1 The Onchan District Commissioners are a Local Authority which provides a waste collection service using direct labour and modern machinery.

2.2 The aim of the Authority is to provide a cost effective and reliable service for the ratepayers of the District.

2.3 Infrastructure

2.3.1 The Authority owns a fleet of refuse collection vehicles, five in total of differing sizes, and has a policy which requires that the vehicles are properly maintained.

2.3.2 The fleet is safe and, due to the regular replacement programme which is in place, are environmentally friendly.

2.3.3 The Commissioners carries one vehicle in reserve with all other vehicles being operational, and three vehicles being operated on a daily basis.

2.3.4 The Onchan District Commissioners owns a properly constructed refuse vehicle garage, which is situate on an Industrial Estate.

2.4 Staffing

2.4.1 The service has, for the last three years or so, been managed by the Waste Operations Manager employed by the Authority, who is supported by the Refuse Foreman and crews for the vehicles.

2.4.2 The number of employees has increased in recent years in order to meet increasing demand for the service, provide a service for other Local Authorities, and to ensure compliance with the latest health and safety standards.

2.4.3 All employees are properly trained in the operation of the equipment which is now necessary to carry out fully functioning refuse collection service on the Island.

2.5 Onchan District Commissioners – Kerbside Collection

2.5.1 In 1989/90, the Onchan District Commissioners operated a trial kerbside collection scheme for green waste within the Onchan District.

2.5.2 The scheme was successful in terms of participation, and the end product was derived using a primitive composting system.

2.5.3 The Onchan District Commissioners has repeatedly indicated its willingness to undertake kerbside collection of green waste but has been hindered in these aims by the lack of formal disposal route.

2.6 Service Provision

2.6.1 The Onchan District Commissioners continue to provide a weekly domestic refuse collection service for the rate payers of the Onchan District.

2.6.2 The Authority also provides a commercial refuse collection service for the commercial premises within the Onchan District.

2.6.3 The Onchan District Commissioners has contracts to carry out refuse collection services in both the Braddan Parish and Marown Parish, on behalf of the respective Local Authorities. In relation to the Braddan Parish, this includes a substantial commercial collection service.

2.7 Service Adaptability

2.7.1 The introduction of charges for refuse disposal impacted heavily upon the operation of the refuse collection service within the Onchan District and Braddan Parish.

2.7.2 The requirement to pass disposal charges on to the customer, particularly in relation to commercial customers, necessitated the purchase of additional equipment for fitting to the refuse collection vehicle, supported by additional computer software, all provided at the cost of the Onchan ratepayer.

2.7.3 Initially, the reliability of the equipment and software to provide accurate weights was questionable and it was not possible to reliably charge commercial customers on the basis of weight of waste. Initially, charges had to be levied on a proportionate basis, based on the size of bin which was being utilised.

2.7.4 Mindful that the charging of disposal costs by volume of bin was not in line with the "user pays principle" the Commissioners persevered with the bin weighing system and, some eighteen months after implementation, were able to introduce charges for commercial operators on the basis of actual weight disposed.

2.7.5 The same standard of service has been offered to the Braddan Parish Commissioners in respect of domestic and commercial premises within the Braddan Parish.

2.7.6 The Onchan District Commissioners also provide a collection service in the Marown Parish.

2.7.7 The Onchan District Commissioners believe that the service which is provided by the Authority is of a very high standard and is proven to be adaptable to the circumstances prevailing.

2.8 Expertise

2.8.1 The Onchan District Commissioners is very experienced in the operation of refuse collection and disposal issues.

2.8.2 The Waste Operations Manager employed by the Authority has been instrumental in the fine tuning of bin weighing equipment and software, balancing this with the need to provide the same high quality and reliable service which the ratepayers of the district and the customers of Braddan Parish Commissioners and Marown Parish Commissioners have come to expect.

2.8.3 The views contained within this document are, therefore, compiled following consideration of comments made upon the proposals by the Waste Operations Manager, and are intended to comment upon the possible impact upon the service and cost of such service specifically within the Onchan District.

3.0 KEY ISSUES

- 3.1 The report of the Department identifies a number of key issues which it considers to be of greatest import in the formulation of policy relating to waste management on the Isle of Man.
- 3.2 This report endeavours to indicate the views of the Onchan District Commissioners in relation to those key issues and provide details of the possible impact of any proposals contained within the report.

4.0 THE NEED TO INTRODUCE KERBSIDE COLLECTION

- 4.1 The report identifies the need to introduce kerbside collection of recyclable materials. The principle of kerbside collection through a box or bag system is well established in the United Kingdom, although the prevailing trend is to move to bins as there are significant health and safety implications in the manual handling of glass and other sharps. Unconfirmed reports indicate that there is currently a recommendation from the Scottish Health and Safety Executive that boxed collections are to be phased out over a five year period in favour of safer collection systems such as wheeled bins. A decision in the method of collection of materials would be key to establishing the precise costs of the implementation of a kerbside recycling system.
- 4.2 The Onchan District Commissioners believes that the percentage of recyclable material that can potentially be removed from household refuse is unlikely to reduce the volume in household bins sufficiently to permit moving to a fortnightly collection of waste using a 240 litre bin as standard. The consultation document is based upon the key factor of minimisation by weight whereas, in practice, the most important factor from a household collection point of view is volume. Indeed, the consultation paper refers to figures based on a WRAP Analysis of Household Waste Composition (PARFITT 2002), which again is a study based on weight rather than volume. The Onchan District Commissioners believes that any householder will be in a position to advise as to how full their bin becomes on a weekly basis but very few would be able to tell you how heavy that same bin is. It may be useful for the current trial for a kerbside collection of recyclable material being undertaken by the Department and Douglas Corporation to contain an analysis of the volume reduction as well as that of weight.
- 4.3 It is believed that the consequence of moving to fortnightly collection of household bins, but failing to significantly reduce waste volume would be an increase in bags left alongside the wheeled bins, with all the attendant problems of manual handling, lack of weighing, and raising the public health hazard from potential interference by birds or vermin. A further obvious effect from households trying to reduce waste volume in their bins would be the increase in fly tipping around the district and indeed in the containers belonging to other householders.
- 4.4 The time taken to empty a wheeled refuse container of waste at the refuse vehicle is not affected by the amount of waste contained within the container. In practice, the reduction of general household waste with the removal of recyclable materials will not materially affect the time taken on a given refuse collection round, the same activity being required whether the receptacle is full or indeed empty. It is for this reason that the Onchan District Commissioners contend that any activity to support the kerbside collection of recyclable material must be an additional activity to the existing domestic refuse collection function.

- 4.5 The principle of a kerbside collection of recyclable material is to provide a clean and uncontaminated load for recycle treatment. The use of existing refuse collection vehicles for both domestic refuse collection and dedicated kerbside collection of recyclable material would inevitably produce a contaminated product. The Onchan District Commissioners, therefore, believes that to take on an obligation for the kerbside collection of kerbside materials, the refuse vehicle fleet of the Authority would need to be augmented by a specialist vehicle to ensure the appropriate separation of recyclable materials and the cleanliness thereof for recycling purposes. This vehicle would need to be staffed with a minimum compliment of three staff. The number and configuration of vehicles would depend upon the obligation placed upon the Authority, and the number of materials to be separated. Vehicles are available which may collect multiple categories of recyclable materials in separate compartments on the body of the vehicle but factors such as numbers of properties, accessibility for vehicles and so forth would have to be taken in to account to fully assess the implications of such proposals. For each Local Authority area, there would be additional cost for the provision of containers for householders in which to place recyclable materials before collection.

It is noted that the trial being run by the Department and Douglas Corporation is based upon a boxed system but as previously indicated, the acceptability of this process in terms of health and safety is possibly in question, which in itself may provide an additional cost implication, as noted above.

- 4.6 If the intention is to provide financial incentive for the domestic rate payer to achieve reward, in some form, for enthusiastic participation in the separation of recyclable materials, it will be necessary to find a method through which the efforts of the householder can be assessed. The only way which is presently available to accurately measure such efforts would be to attempt to weigh the domestic refuse containers and the containers of recyclable materials in order to judge the amount that the general domestic waste stream has been reduced. The experience of the Onchan District Commissioners is that the bin weighing system which is currently available and operative would provide the Authority with an indication in this regard, but the administrative implication for the Authority would mean the employment of at least one additional member of staff to receive the data from the bin weighing equipment and to process same. The logistics of charging the individual householder, including the preparation of charges and collection would inevitably require the employment of a minimum of additional member of staff in this area.
- 4.7 There are also practical implications to be considered for the introduction of such schemes within the urban areas. The performance of the bin weighing equipment upon the refuse collection vehicle is affected by the environment, in that the system is reliant upon being able to undertake a number of functions without hindrance. A camber in the road can provide practical issues for the successful lifting of a waste container and recordal of the weight of that container. Any vehicle employed in the weighing of separated recyclable material must be capable of accessing all areas within the District, and so the size of the vehicle may be dictated by the physical constrictions within,

particularly, the urban area. Finally, a significant number of properties within the older parts of the village would have difficulty in storing some types of additional containers specifically for recyclable waste.

4.8 In conclusion, it is confirmed that the Onchan District Commissioners have considered the practical implication of the introduction of a kerbside collection scheme for the separate collection of recyclable materials. The Authority is fully supportive of the principles behind the European hierarchy of waste management as adopted by the Isle of Man Government namely:-

- waste minimisation;
- reuse;
- recycle;
- incineration with energy recovery;
- landfill of residual wastes.

There are issues of considerable magnitude which would have to be addressed before the Onchan District Commissioners was in a position to implement a district wide scheme for collection of such materials.

It is believed that the costs of introducing such scheme would be expensive and possibly prohibitive in relation to ratebourne funding. A statement of indicative costs relating to the establishment of a kerbside collection service for recyclable materials is given in a later chapter.

5.0 REVISED CHARGING

- 5.1 The Onchan District Commissioners continue to oppose the principle of waste disposal charges being met through the domestic rating system, believing that in principle, such costs should be met through national taxation. The view is reiterated here.
- 5.2 The Onchan District Commissioners had reservation about the level of charge which was originally set at the rate of £100 per tonne before discount. It is again worthy of reiteration that the Onchan District Commissioners oppose the inclusion of capital funding within the calculation of such costs and the Authority are disappointed that no evidence is presented within the report to illustrate those elements included within the calculation. The Onchan District Commissioners is therefore not able to comment upon the accuracy of the proposed increase in the cost per tonne, and must remain dubious about the elements including in the calculation of this figure.
- 5.3 The Authority has noted the belief of the Department that the £100 per tonne commercial charge is a punitive charge for many businesses and has been cited, rightly or wrongly as one of the difficulties of conducting business on the Island. In practice, the costs of waste disposal, based either upon weight or volume of refuse container, is not considered to be restrictive although it is accepted that it is an additional cost for any business to bear.

The report recognises that waste that should otherwise be delivered to the Energy from Waste Facility is being diverted elsewhere and it is true that the charge to commercial customers for the use from the Energy from Waste Facility is diverting waste through other sources. This could, however, be through recycling facilities or indeed through cheaper disposal sites. The reduction in commercial charges, though welcome for commercial operators, will mean that the recycling option for waste is less attractive on a commercial basis and may even deter some recycling activity which would appear to be contrary to the efforts of the Department in relation to domestic waste collection and disposal. In domestic terms, the Department is seeking to reduce the amount of household waste channelled to the Energy from Waste Facility and the Onchan District Commissioners fears that the success of such a scheme would be diluted with the removal of a financial inducement to commercial premises to increase recycling activity.

- 5.4 With the increased charges, the Department of Local Government and the Environment consultation paper suggests departing from the collection of charges for waste disposal via the rates system to the eventual introduction of charging domestic premises on the basis of weight. It is conceivable that such a change would in some cases increase financial hardship for those within the community who are less affluent and in some desperate cases, may provide the negative incentive to find alternative disposal routes for waste which could include the utilisation of containers allocated to other households, without permission, or indeed fly tipping. Both would raise significant issues for the Local Authority in having to deal with disputed weight figures from householders and indeed possible increased fly tipping. It is acknowledged

that the standard 240 litre wheeled refuse container may be fitted with a gravity lock to discourage such circumstances. However, unlike the larger containers which in themselves are quite heavy, a 240 Litre container is somewhat lighter and unless it does contain material, the gravity lock can be overcome by an individual. In addition, a gravity lock is an expensive addition to the provision of wheeled refuse containers.

- 5.5 At this point, the Onchan District Commissioners must reiterate the practical issues which would arise should the Authority be placed in the position of having to charge for domestic waste disposal on the basis of an invoice rather than through the rating system. There are, for example, many lanes in the older parts of the Onchan Village which are unadopted and therefore unmetalled. These lanes have developed a pronounced crown over the years and the existence of this crown makes loading the vehicles on to the vehicle bin lifts very difficult. It also means that the lifts start to pick up a bin part way through the recording cycle, leaving insufficient time to register the container identification tags. In short, any bin collected from the unmade back lanes could not be identified using the tag reading system.

There are two alternatives to deal with this problem, the first being to have the unadopted lanes made up to a suitable standard and adopted. The question of funding such a project would have to be resolved, and there would be significant work in the liaison with land owners to try to secure approval to such works.

The second option would be to have a collection from the front of all affected houses, the householder being responsible for ensuring that the bin was available at the edge of their property on collection day. Clearly this is not an ideal solution given the amount of on street parking within the village and therefore the potential for damage claims from car owners alleging that the refuse collectors have damaged their car through the collection process.

- 5.6 To introduce a domestic bin weighing system would require the completion of the project to have all refuse collection vehicles fitted with an appropriate bin weighing system and in the case of Onchan District Commissioners, this would require the replacement of the smaller vehicle, which is presently used to access domestic properties in more difficult locations. Investigations have already taken place to see if it is possible to fit a bin weighing system to that vehicle, and the conclusions are that it would be more cost effective to replace the vehicle rather than carry out the necessary adaptations.
- 5.7 A complete analysis of the requirements for the administration of a charging regime has not yet been completed. The first issue to address would be the impact of such a regime in relation to clients of the Authority in respect of refuse collection, presently Braddan Parish Commissioners and Marown Parish Commissioners. Clearly, therefore, the implications would have to be discussed with those Authorities. A common approach to charging would, have to be identified and agreed. Ultimately, the Onchan District Commissioners as the contractor will determine the processes which would have to take place.

- 5.8 In order to make appropriate charges to the householder, the Onchan District Commissioners would have to be aware of the owner of every property for which charges would have to be implemented in order to preserve the position of the Authority in securing payment when not forthcoming. This would be more difficult in relation to rented accommodation where details of a tenant are not recorded centrally.
- 5.9 Across the Island, there are numerous instances where property owners and tenants are not presently allocated an individual refuse container. In the cases of flats, sheltered accommodation, residential accommodation and so forth, it may not be possible to allocate individual units and so a methodology would have to be devised, supported by law, to allow the legal collection of disposal charges in those cases.
- 5.10 The experience of the Onchan District Commissioners in relation to the preparation, installation and operation of a bin weighing regime in relation to commercial premises is that there was insufficient time permitted for the systems to be tried and adapted before commercial charging was implemented. It is envisaged that the same problems will be encountered should a domestic charging scenario be progressed. However, it is feared that the issues will be multiplied simply in relation to the volume of the collections, and the issues intensified due to the personal involvement of individuals.
- 5.11 The Onchan District Commissioners' procedure for issuing invoices to commercial premises is a manual system which could not be adapted in the domestic charging scenario and provide value for money. It would be necessary to set up a new billing procedure using appropriate software for this purpose. A decision would have to be taken as to the frequency of charges, and there are a number of factors which would need to be taken into account in this process. It may be that the frequency of charging the Authority by the Department would impact upon this, and, particularly for smaller Authorities, cash flow would be significant issue to overcome. The more frequent the charging is necessary, the more the administration cost will be through the production of the invoice and, the postage of the invoice to the householder. There would be an attendant increase in the number of transactions undertaken by the Authority, and no doubt, a requirement to establish a proper review and appeal procedure for any dissatisfied householder to make views known.
- 5.12 The realistic view of the imposition of charges for waste disposal through an invoicing system is there will inevitably be instances where charges are not paid. Legal action will have to be taken and the processes would have to be managed. There would inevitably be instances whereby the collection of monies would fail. No doubt, the Department would charge for all waste disposed of through the Energy from Waste Plant and the Authorities would then be left with a shortfall through the bad debts.

- 5.13 The current operating certification from the Office of Fair Trading in relation to the bin weighing system currently in place, provide a tolerance of plus or minus 2 kilograms for each 240 litre or 360 litre refuse container lifted. The tolerance is 5 kilograms in relation to larger containers. This means that even with the system recording 100% of bin lifts within bin operating tolerances, there would still be potential to accrue a shortfall of just under 1 tonne for an average domestic round of approximately 450 bins. This unattributable shortfall would have to be paid from revenue raised through the rating system. It should be borne in mind that in Onchan, there are 10 domestic refuse collection rounds during any given week, the potential shortfall, therefore, being multiplied to approximately 8 to 10 tonnes per week. Over a year, the costs would be significant.

There is no practical means through which the Onchan District Commissioners can be prepared for the introduction of domestic bin weighing and attendant administrative amendments in time to avoid the requirement for the proposed increase in charges effective from 1st April 2006 being imposed upon the ratepayer of the District through the rating system. On the basis of actual domestic waste discharge between December 2004 and August 2005, in respect of Onchan domestic waste, was 3,820 tonnes at £10 per tonne, the cost to the Authority of that disposal has been £38,200. The product of a penny rate within the District is £6,780 and so the imposition of domestic waste disposal charges, at current levels, incur a 5½p rate levy upon each ratepayer of the District. Using the same disposal figures as a reference point, a charge of £24 per tonne would mean the total domestic waste disposal cost for this Authority would be £91,680, increasing the rate burden to some 13½p in the pound, an increase of approximately 8p in the pound. A similar calculation has been carried out for each of the progressive increases for subsequent years and, once again, at the current rate of disposal, with the present penny rate product figure of £6,780, each of the subsequent financial years would require an additional 7p increase in the pound. It is stressed that this is purely in relation to domestic refuse collection services and does not take into account the implication of the operation of a civic amenity provision. It is also accepted that the costs specified make no provision for growth (due to increased population and the like) or reduction (due to recycling initiatives) nor any reference to the circumstances of Client Authorities. It also does not include reference to wastes disposed of through other sources such as landfill.

6.0 COMMON CHARGING SYSTEM FOR COMMERCIAL PREMISES

- 6.1 The timescales permitted following the introduction of waste disposal charges were insufficient for the Onchan Authority to be satisfied as to the reliability of bin weighing technology before the introduction of charges on the basis of weight. Initially, the commercial refuse disposal costs were applied across the commercial customers of the Authority on the basis of size of bin, whilst every effort was made to ensure and demonstrate the reliability of the bin weigh technology. This has been very time consuming and continues to require a daily monitoring programme. The Authority has charged for commercial waste disposal on the basis of weight for over 12 months and is satisfied that a robust system has now developed. It should be pointed out that any shortfall in waste collected due to tolerance issues between the bin weigh system and the weigh bridge at the Energy from Waste Facility have to be absorbed and because the number of bins involved is relatively small, those discrepancies are kept to a minimum.

7.0 ALL ISLAND CIVIC AMENITY SITE PROVISION

- 7.1 The Onchan District Commissioners recognises that the suggested provision of civic amenity sites for use by any resident of the Island is a potential improvement in service. The Authority has also noted that the Department has recognised the prospect of having to make some form of financial adjustment in view of increased traffic from outside the eastern area which would take advantage of the availability of the Eastern Civic Amenity Site because of its proximity of its capital. The basis upon which any adjustment would be made has, however, yet to be discussed. The Onchan District Commissioners believes that should the aspiration of the Department to allow the use of Civic Amenity Sites, island wide regardless of residence, a financial adjustment would be imperative to avoid a disproportionate charge being levied of the rate payers in the east region.
- 7.2 The comment of the Department relating to the cost of the provision of a permit system for the use of a Civic Amenity Site is noted. A civic amenity permit system is operated in the east region and whilst the primary usage is to identify registered residents within the east region who may use the facility, it does also afford the opportunity to the Civic Amenity Site Joint Committee in the east region to monitor the demand for the use of the facility through the issue of the permits and to control access when necessary. It may be, for instance, that a permit holder may seek to dispose of inappropriate or even hazardous materials. In addition, as the Eastern Civic Amenity Site does only generally process domestic waste, it does also provide a means through which the Committee can attempt to control cases of commercial waste being deposited through the Civic Amenity Site, thus losing revenue for the Department. The revocation of a permit to use the site is a legitimate management tool to ensure adherence to regulation.
- 7.3 The Onchan District Commissioners has also noted the wish of the Department to see all of the Civic Amenity Sites working towards a uniform standard of public service provision wherever possible. Clearly, this must be supported.
- 7.4 The Onchan District Commissioners is also aware of the expectation of the Department that the Civic Amenity Sites will have an increasing important role in handling difficult and unconventional waste streams. It is the view of this Authority that any proposals to introduce specialist waste disposal services through the Civic Amenity Sites must be treated with extreme caution. The cost of complying with health and safety requirements will be significant, costs which would once again be devolved to the ratepayer of the Island.

8.0 A PARTNERSHIP STRUCTURE FOR WASTE MANAGEMENT

- 8.1 The Onchan District Commissioners endorses the view of the Department that an effective waste management strategy for the Island cannot be established without working closely with those who have a direct interest in waste issues. This Authority is a fully functional waste collection authority, with experienced and respected Officers in relation to this service, which the Authority is always prepared to make available to liaise with the Department in such matters.
- 8.2 The recognition of the need to liaise in the bulk purchase of bins, the provision of new collection vehicles and additional bin weighing technology is also recognised.
- 8.3 It has to be stated, however, that the differing Waste Collection Authorities are likely to want to utilise vehicles of local specification, both in the case of chassis and body.
- 8.4 It should also be recognised that where possible, existing waste collection authorities already liaise over the purchase of items such as wheeled refuse containers, in order to secure economies of scale.

9.0 FINANCIAL IMPLICATIONS FOR ONCHAN

- 9.1 The extent to which the proposals would impact upon the rate-bourne expense of the Onchan District Commissioners would depend upon whether the proposals were accepted in full and the speed at which the proposals were introduced.
- 9.2 The cost of the proposed increase in the waste disposal charges, as suggested by the Department of Local Government and the Environment are readily calculated. The product of a one penny rate in the Onchan District is presently £6,780.

Onchan Domestic Waste Disposal - Energy from Waste Plant September 2004 to August 2005

Tonnes	@ £10 per tonne	@ £24 per tonne	@ £36 per tonne	@ £48 per tonne	@ £60 per tonne
3820.034	£38,200	£91,680	£137,521	£183,361	£229,202
Additional Rate Equivalent in the Pound	10.11 P	+7.89p	+6.77p	+6.77p	+6.77p

Onchan Domestic Waste Disposal - Landfill September 2004 to August 2005

Tonnes	@ £10 per Tonne	@ £24 per tonne	@ £36 per tonne	@ £48 per tonne	@ £60 per tonne
77.34	£773	£1,856	£2,784	£3,712	£4,640

- 9.3 The proposed reduction in the Commercial Waste Disposal Charges would have negligible impact upon the rate since all charges are allocated to the customer, on the basis of weight, through the bin weighing systems

Onchan Commercial Waste Disposal - Energy from Waste Plant – September 2004 to August 2005

Tonnes	@ £100 per tonne	@ £60 per tonne	@ £66 per tonne	@ £72 per tonne	@ £78 per tonne
306.64	£30,664	£18,398	£20,238	£22,078	£23,917

- 9.4 The Waste Disposal Charges for the Eastern Civic Amenity Site are charged proportionately across the participating Authorities. In the last financial year, the Onchan District Commissioners have paid £24,794 as its' proportion. This has included an element for the disposal of fridges but assuming that the average charge for fridge disposal was 20% for instance (subject to verification), this would leave some £20,000 or so which would be affected by an increase in the disposal charges. The calculations would be as follows:

**Eastern Civic Amenity Site Waste Disposal Charges
Estimated Onchan Proportion (Indicative Only)**

	@ £10 per tonne	@ £24 per tonne	@ £36 per Tonne	@ £48 per tonne	@ £60 per tonne
	£20,000	£48,000	£72,000	£96,000	£120,000
Additional Rate Equivalent in the Pound	2.95p	+4.13p	+2.07p	+2.07p	+2.07p

9.5 In terms of the kerbside collection of recycling materials, it has to be recognised that the precise costs cannot be readily calculated to the same degree as the waste disposal charges can. However, the costs can be estimated, subject to certain informed judgments. In this case, the judgments include

- That the introduction of the separation of proposed recyclable materials at source will not reduce the amount of waste sufficiently to reduce the weekly household collection to a fortnightly basis;
- That the costs of the kerbside collection of recyclables is to be rate-bourne;
- All other implications of the proposal can be overcome without additional costs; and
- That there is no credit given for the participation in the recycling initiative either for the Local Authority or the ratepayer

	Capital	Ongoing
Purchase of An Additional 4500 recycling bins @ £15 each	£67,500	
Purchase of a Dedicated Collection Vehicle	£100,000	
Additional Vehicle Operating Costs		£12,000
Additional Collection Crew (3 men)		£45,000

9.6 The suggested introduction of weighing of household bins would carry with it some very serious management issues, none of which should be underestimated. Again, certain assumptions have been made in relation to these problems, however, in order to indicate the likely costs of the operation. These assumptions are:

- Issues relating to the collection point difficulties may be overcome;
- Issues relating to the security of the containers can be overcome;
- Issues relating to the identity of the ownership of the waste can be overcome (for charging purposes);
- That the ownership of all of the waste can be clearly demonstrated and that the tolerances within the system of weighing to ensure that the differences between the Energy from Waste Plant weighbridge reading and the reading from the bin weigh system on the wagons is negligible;

	Capital	Ongoing
The replacement of existing bins with new identity chipped containers at £27 each (4500 in total)	£121,500	
The replacement of the smallest refuse collection vehicle to achieve bin weighing opportunity in tighter areas (allowing £10,000 trade-in)	£90,000	
Acquisition of new bespoke invoicing system	£6,000	
Additional Administrative Staff to deal with record monitoring, charging and bad debtor process (minimum of two staff)		£30,000

9.7 These figures are indicative only. It is believed that they are reasonable estimates, based upon known facts but the actual costs may well exceed those stated, dependent upon precisely when the required purchases/change in collection practice is proceeded with. Equally, the costs may be affected by any financial assistance offered to the Authority from Central Government, either by grant or by incentives to participation.

10.0 SUMMARY

- 10.1 The report submitted herewith is intended to provide an overview of the implications of the proposals for the Onchan District Commissioners and for the people of the Onchan District.
- 10.2 The authority has tried to highlight the numerous practical issues which would have to be considered and overcome in order to comply, should the proposals of the Department be adopted, together with the considerable costs which would be incurred in trying to achieve compliance.
- 10.3 The removal of recyclable material by way of kerbside collection as proposed will not, in the view of the Authority, sufficiently reduce the amount of waste per household to enable the domestic collection of general waste to be reduced to a fortnightly basis. Additional rounds will therefore be necessary and as the existing resources of the Authority are already fully utilised, additional vehicular and manpower resources will need to be funded at significant cost.
- 10.4 The proposal to increase the charges for the disposal of domestic waste from £10.00 per tonne to £24.00 per tonne will immediately increase costs to the Authority and it is estimated that this could be in the region of 10 pence in the pound for domestic refuse disposal and civic amenity waste disposal contribution in this regard.
- 10.5 It is the very strongly held view that the introduction of bin weighing for domestic properties is not practical at this time. The cost of the provision of necessary hardware, software, other equipment and staff is demonstrated to be expensive and therefore restrictive. The administrative issues will be very significant. The monitoring of weights collected, allocation to accounts and issuing of invoices to some 4,500 customers would be impossible within existing resources and would certainly require recruitment of staff and purchase of computer hardware and software. Identification of householders and tenants for direct charging would be an insurmountable difficulty at present since there is no complete record as to the residency/occupancy of all Onchan premises. The implication for the Authority of trying to recoup unpaid costs through the Courts, even if the appropriate person to charge can be identified, would be very time consuming, perhaps to little effect and any shortfall in receipts over payments in this regard (by way of bad debts and weight tolerances) would in any event impact upon the rates.