1240/5/1(255)

# WRITTEN QUESTION TO THE MINISTER FOR INFRASTRUCTURE BY THE CONNÉTABLE OF ST. HELIER ANSWER TO BE TABLED ON TUESDAY 2ND MAY 2017

#### **Question**

Will the Minister set out in detail how it is proposed to charge commercial entities for liquid and solid waste arisings and the timetable for doing so; and will he explain how the proposed charging mechanism or mechanisms will –

- (a) be fair, given any seasonal and sectoral variations in current waste arisings;
- (b) incentivise recycling, re-use and waste reduction; and
- (c) provide the predicted level of income required by the Department's revenue budget?

#### Answer

#### Liquid Waste charging mechanism

The charges will be based on whether customers receive a full or partial service.

A full service is applicable to customers that are connected either directly or indirectly to the public sewer. This charge covers the costs associated with the network and pumping, treatment and safe disposal of their wastewater.

A partial service is applicable to users where there is no connection to the public sewer and where cesspits, and tight and septic tanks are used to collect wastewater before it is transferred to Bellozanne by tanker. This charge therefore covers the costs associated with the treatment and safe disposal of their wastewater only. In this case, customers will make separate arrangements with either DfI or private tanker providers to convey their wastewater to Bellozanne, and therefore the private tanker providers will not be charged at Bellozanne for tanker deliveries. It is estimated that there are only around 40 non-householders that fall into this category.

The user pays charges will be composed of a fixed and variable element. The fixed element will be based either on the size of the water supply, or the trade effluent consent\*. It will be charged at an equivalent rate per day\*\*. The variable element will be a volumetric charge that is based on 95% of the water usage. The 95% value is the typical figure used in England and Wales for consumption returned to the sewer. Where there is no volumetric information on water usage, an assessed calculation will be undertaken by DfI Assessment Officers.

There are a few large industrial customers that create large volumes of liquid waste. These are special cases that could require an individual agreement to ensure affordable and realistic charges are implemented. In the UK customers are typically charged using the Mogden formula\*\*\*, which accounts for the volume, type and strength of the liquid waste produced by the user. In the future DfI may apply the Mogden formula

<sup>\*</sup>trade effluent consent is required by certain businesses if their effluent is highly variable in terms of strength and volume, for examples, laundrettes and larger hotels with swimming pools.

<sup>\*\*</sup>rate per day is the fixed daily cost of the standard charge.

\*\*\*The Mogden formula is used by sewerage companies to calculate the charges of trade effluent requiring treatment. The cost depends on the volume and strength of the discharged effluent.

as the basis for any special agreement, and will agree any adjustments with the users to encourage pretreatment by customers, and, also to ensure that the agreed charges are reasonable.

#### Solid Waste charging mechanism

Solid waste is received by DfI either via Parish collections or directly from non-householders.

#### Route 1: Non-householder Waste collected by Parishes and delivered to DfI facilities

The solid waste that is generated by the non-householders at their premises and which is collected by the Parishes or by hauliers working for the Parishes will be charged directly by DfI to the customers for the treatment and safe disposal of the waste, and not via the Weighbridge at La Collette or via the Parishes. Collection and charging for collection will remain the responsibility of the Parishes and will continue to be undertaken according to current arrangements or any arrangements Parishes may decide on in the future.

This element is estimated to be around 13,000 tonnes per annum of non-household solid waste each year. The new treatment and disposal charges will be based on the volume of waste produced by the non-householder. More specifically, it will be based on the size, number and frequency of the bins collected each year from the customer. Customers will be issued with stickers for the bins to demonstrate payment and confirm requirement for the service. This is the same process that is being used in much of the United Kingdom.

#### Route 2: Waste delivered to DfI facilities by non-householders

The other types of solid wastes that are delivered, by non-householders directly to DfI facilities will be charged via a gate fee. The existing charges will be revised and based on the full cost of treating and safe disposing of the waste. A new charge for wastes treated through the Energy from Waste plant will be introduced, as will charges for some recyclables which are currently subsidised and free at point of use.

#### **Timetable**

Liquid Waste Non-Householder charges	
Lodge R&P for States debate	May 2017
States debate to bring Article 4 of the Drainage (Jersey) Law 2005 into force to permit Liquid Waste charging	18th July 2017
Chargeable service for non-household liquid waste commences	March 2018

Solid Waste Non-Householder charges	
Lodge R&P for States Debate	June 2017
States Debate to request amendments to the Waste Management (Jersey) Law 2005 to permit Solid Waste charging	26th September 2017
Increase existing charges to cost recovery (eg for green waste, Inert material, plasterboard)	January 2018
Privy Council Approval of amendments to the Waste Management (Jersey) Law 2005	February 2018
Chargeable service for waste delivered to DfI facilities by non-householders (Route 2)	Quarter 4 2018
Chargeable service for non-householder Waste collected by Parishes and delivered to DfI facilities (Route1)	Quarter 1 2019

### (a) How will the charging mechanisms ensure that the charges are fair, given any seasonal and sectoral variations in current waste arising?

For the majority of non-householders (greater than 99%) the liquid waste charge will be based on a volumetric charge that is based on 95% of the water usage so will take into account any seasonal and sectorial variations. Where there is no volumetric information on water usage, an assessed calculation will be undertaken by DfI Assessment Officers.

Again, for the majority of solid waste that are delivered, by non-householders, including hauliers, to the DfI facilities (74%) will pay a gate fee for the waste that they produce. For those non-householder (26%) for whom the Parishes collect the Waste they will be charged on the size, number and frequency of the bins collected each year from the customer. This assessment will done by DfI Assessment Officers and will take into account any seasonal variations etc.

#### (b) How will the charging mechanisms incentivise recycling, re-use and waste reduction?

If the Island is to move forward and achieve progressive waste reduction and recycling targets, it is essential that producer responsibility becomes a cornerstone of Jersey's future waste strategy. This means that tools need to be employed so those generating the waste are responsible for its management upwards through the Waste Hierarchy.

The most significant barrier to changing behaviour in regard to waste in Jersey is the absence of fiscal measures that apply a level of cost to behaviours that are to be discouraged while promoting other preferable waste management behaviour. This mechanism would encourage a sense of ownership for waste producers and enable them to take responsibility for the amount and type of wastes they produce.

This follows best practice elsewhere.

Professor Wouter Poortinga, an environmental psychologist at Cardiff University, who has undertaken research in this area, was quoted as saying in respect of a field experiment to reduce coffee cup waste, "People are far more sensitive to losses than to gains when making decision — so if we really want to change a customer's behaviour then a charge is more likely to be effective."

## (c) How will the charging mechanisms provide the predicted level of income required by the Department's revenue budget?

An appropriate and fair assessment was made of the proportionate costs associated with non-householder liquid and solid waste services based on the current view of the non-household customer base. This was the basis for the predicted level of income required which was approved in the MTFP debate in 2016. It is estimated that introducing new and increasing existing waste charges for non-householders will generate net £11.35m annually.