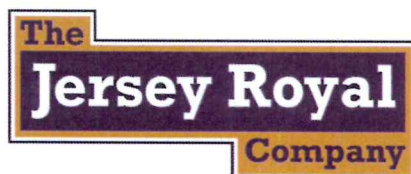


SOUTHFORK
RUE DU TROT
ST SAVIOUR
JERSEY
JE2 7JQ



☎ 01534 852444
📠 01534 854193
✉ info@jerseyroyal.co.uk
🌐 www.jerseyroyal.co.uk

Deputy D Johnson
Chairman of Environment, Housing and Infrastructure Scrutiny Panel
Scrutiny Office
States Greffe
Mourier House
St Helier
Jersey
JE1 1DD

11th May 2017

Dear Deputy Johnson

Review of Solid & Liquid Waste Charges for Non-householders

Thank you for inviting The Jersey Royal Company to provide a written response to your review of solid and liquid waste charges.

We were invited and attended a “waste stakeholder engagement session” on the 23rd March at which ICS Consulting introduced the work that had already been undertaken by the Department for Infrastructure (DFI). In my opinion these meetings were more of a way of disclosing the plans that DFI had already decided were to be put in place rather than a consultation with stakeholders, which, to be honest has concerned us as a business.

At this stage, I think it important that we as a company, state that we wholeheartedly agree with a user pays principle, provided that the rates charged are fair and equitable and that businesses have sufficient time to prepare for such charges.

Having attended one of the meetings arranged by ICS, as we understand it, there are several areas that will impact our business;

1. A charge for liquid waste
2. A charge for collected solid waste (collected through Parish collections)
3. A charge for waste delivered to the waste facilities at La Collette

Liquid Waste Charging

As it was explained to us the charge for liquid waste discharged down main drains will be done on a volume basis and assessed by the amount of mains water brought onto a site. For The Jersey Royal Company (JRC) this poses a number of issues including the fact that whilst we currently have a discharge permit for

discharging waste to main drains, we can use either a mix of borehole water and mains water, primarily for washing potatoes prior to packing in small pre-packs. The discharge of the "waste water" varies greatly in volume depending on seasonality and is also split between discharges to main drains and that which is irrigated back on to land. It is therefore very difficult to ascertain a volume of waste water to charge against on the basis stated. I am sure that there will also be a number of other industries where a simple calculation based on mains water used will not be suitable either.

When the consultants were questioned about this, they responded that we would be out of the ordinary and that DFI would need to agree a different approach for our business, a comment that would be a re-occurring theme throughout the discussion period.

Solid Waste Charging

The charges for delivery of solid waste to the facilities at La Collette seem to be relatively straight forward. Delivery vehicles can be weighed in and weighed out, and the waste paid on a tonnage basis. In our view this is a simple and accurate process.

When it comes to waste collections this is a different story. It was explained that the charge for collected waste would be based on an assessment made by the collections over a period of time and therefore based on an estimated weight of waste collected.

This estimate would only be charged on non-household waste. However, many of our sites are registered business sites that house staff in company accommodation, some as self-catered, and some as catered accommodation where we provide breakfast and evening meals, all of which is in accordance with local employment legislation. In both cases this accommodation is clearly in our view "rented" to our staff and not run for commercial gain and should therefore be classed as domestic.

Our concerns are two-fold. Firstly we were told that restaurants and hotels which are run as businesses would be subject to the collected waste charge. At the meeting that I attended I was told that as in effect we are a "hotel" providing our staff with accommodation and food that we would be charged as such. This is in our opinion wholly wrong. If our business was running hotels and restaurants as a commercial enterprise then we would be able to pass costs on to our clients by increasing our rates. As a farming business we are not able to do this. We are able to charge our staff a maximum offset charge for food and accommodation based on minimum wage set by government.

At a separate meeting, I believe that this was discussed further where it was inferred that this may not now be the case, but to date JRC has had no clarification of this.

Our other concern is the issue of collections from sites where there is a mix of staff accommodation and commercial operations. Again we would like some guarantees that staff waste is not counted as business waste and how each type will be assessed before charging.

Again, when questioned about this the consultants were unable to clarify what the exact position would be.

Whilst, we appreciate that DFI have some work to do to clarify the position going forward, in order for businesses to plan it is essential that they can ensure that they can build these costs into their business plans going forward.

Whilst some businesses may be able to handle these additional costs by passing on any additional charges to their customers e.g. restaurants can increase the price of a meal, a builder can increase their building costs, for some businesses this will be very difficult. For The Jersey Royal Company, who already operates on small margins, to negotiate a price increase with a UK retailer will be extremely difficult if not impossible. Any additional charges to our business will almost certainly have to be absorbed without any increases in revenue. . The tax would be on top of a significant reduction in agricultural subsidies, and increased costs in order to improve water quality.

On another point, that of fly tipping, this is again of concern. We already have to deal with fly tipping on a regular basis, having to deal with and clean up after individuals who dump anything from car parts, to sofa's and fridge's and to more prolific tippers who tip lorry loads of rubble. This not only causes disruption to our operations as we have to clear the waste before we can either enter a field or cultivate it but we also have to clean up the debris and take it to La Collette. All of this is before wastage charges come in. I read with delight that DFI are looking to introduce a Fly Tipping Task Force! I wonder how large this task force will be to cover our 8,500 vergées of land that we look after as a single farm with fly tipping already taking place in many field across the Island. I anticipate that the new charges will increase the levels of fly tipping, cost our business more to clear up and that we risk being charged to deposit this waste to the facilities at La Collette. As a company we would wish to seek some strong assurance as to how we will not be penalised in any way going forward.

One final point that we would like to raise is around other waste streams that DFI have in our opinion neglected to discuss, these being green waste and sewage sludge.

At present it is assumed that the outlet for these wastes are to spread them onto agricultural land. I would suggest that if agricultural businesses have to cope with a waste charge that will financially impact each their industry that they may have a different view on accepting any of these waste products going forward. It may be that having a suitable financial reward for accepting these products on their land should be considered under the user pays principals being adopted.

To conclude, we would suggest that the strategies going forward should be clear for all types of businesses. In addition the costs that each business is likely to be charged in the future should be highlighted. All businesses should be given some time to determine a strategy that might allow them to cope with these charges in the future. We would also suggest that not all businesses can cope with increased charges by passing these on to the end consumer and that perhaps this should be taken into account.

Finally, it would be worth DFI having a dialogue with the Islands farmers about their strategy for green waste compost and sewage sludge going forward. As a business that grows over a large area of land on the Island The Jersey Royal Company would appreciate a dialogue with DFI going forward.

I hope that these few comments help you in your deliberations.

Kind regards

A handwritten signature in blue ink, appearing to read "Mike Renouard". The signature is fluid and cursive, with the first name "Mike" and the last name "Renouard" clearly distinguishable.

Mike Renouard
Technical Director
For and on behalf of The Jersey Royal Company Ltd