



Local Authority Recycling Advisory Committee

28 October 2005

Local Authority Funding and Governance Team
Department for Environment, Food and Rural Affairs
Zone 7/E14
Ashdown House
123 Victoria Street
London
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Consultation response on altering the JWDA funding mechanism

Thank you for the opportunity to respond to the paper on altering the mechanism for Joint Waste Disposal Authorities and their Waste Collection Authorities. The comments below are sent on behalf of the Local Authority Recycling Advisory Committee (LARAC). LARAC is an association of well over 400 local authorities, including 373 in England, whose waste management and recycling professional's co-ordinate and operate waste management services. Membership is drawn from all types of authority including statutory Waste Collection (WCA), Waste Disposal (WDA) and Unitary Authorities.

LARAC welcomes this long awaited change, which will result in WCA's paying in relation to the waste they generate. This is a much fairer system of charging and will facilitate the implementation of projects and services to target the top end of the waste hierarchy.

Question 1

LARAC welcomes the change to a tonnage-based levy, however as is recognised in the consultation document the preferable option would be a move to a direct charging mechanism. LARAC accepts that at this stage this is not possible due to a need for a change to primary legislation, however we would like to see a commitment from government to pursue this necessary change in the longer term. A direct charging mechanism will enable WCA's to realise benefits of investing in waste reduction and reuse activities in the financial year that waste was reduced, rather than 18 months after the event.

Question 2

LARAC agrees with the proposal to maintain the current funding structure for elements other than disposal costs.

Question 3

LARAC agrees that under the current arrangements a move to a tonnage based system would result in effectively double payment of recycling credits and therefore that the duty for JWDA's to pay credits should be removed. In the short term however this will bring about financial challenges for lower performing boroughs who will be investing in recycling services at the same time as having to pay for the higher disposal costs of previous years.



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Question 4

As previously stated ideally JWDAs would be able to charge on the basis of tonnage disposed of in that financial year. Until that is possible LARAC is happy with the default to be based on historical data, providing that clause 4 (1) (a) allows JWDAs to agree a different method if all constituent boroughs agree.

Question 5

LARAC agrees that individual JWDAs should be left to determine the method of calculation.

Question 6

The legislation consulted on in this document is due to come into force on 1st April 2006. This is a short timescale and therefore it is likely that some of the authorities affected will not have planned for this in their budget setting for next year. For those boroughs who will be affected negatively in the short term by this change this could be a significant issue. There is also the issue that if the levy is based on historical data there is a time lag between investing in services and seeing the benefits in respect to reduced waste disposal costs. The government therefore needs to provide guidance and support to those boroughs who stand to financially lose by these changes in the short term.

Regards

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On behalf of LARAC Policy Team