

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

**COMMITTEE *FOR THE* ENVIRONMENT & INFRASTRUCTURE AND THE
STATES' TRADING SUPERVISORY BOARD**

WASTE STRATEGY IMPLEMENTATION – HOUSEHOLD CHARGING MECHANISMS

Letter of Comment from the Policy & Resources Committee on the item lodged by the Committee *for the* Environment & Infrastructure and the States' Trading Supervisory Board entitled "Waste Strategy Implementation – Household Charging Mechanisms"

HM Greffier
Royal Court House
St Peter Port

29 November 2017

Dear Sir

Letter of Comment – Proposition No. P2017/115 – Committee for the Environment & Infrastructure and the States’ Trading Supervisory Board – Waste Strategy Implementation – Household Charging Mechanisms

The Policy & Resources Committee notes that the proposed structure for household waste charges is broadly consistent with that outlined in the Public Services Department’s policy letter considered in February 2014 (Billet d’État II, 2014) although the costs have increased considerably compared to those indicated at that time. However, the level of household costs are comparable with the £7 a week (£364 a year) quoted in the joint policy letter considered in April 2017 (Billet d’État V, 2017).

The Committee recognises that this represents a significant rise in the waste charges for local households, reflecting the increased cost of implementing modern, environmentally acceptable and sustainable management of household waste. The Committee also recognises that usage charges are key to driving behavioural change but have to be balanced against the risk of negative behaviours such as fly tipping.

It is recognised that there are a number of elements which drive the costs of waste disposal and it is incumbent on the responsible Committees and the Douzaines to regularly review the system to identify efficiencies and minimise costs. For example, the Committee would strongly support the issuance of a single waste bill to households incorporating both the Parish Waste rate and the Waste Disposal Authority fixed charge and reconsideration of the potential benefits of a single waste collection contract.

It has previously been identified that there would be some cost impact for General Revenue via the welfare systems as a result of the revision to the household waste charging mechanism. The Committee for Employment & Social Security has not yet determined the approach it is going to propose to incorporate these costs within the income support scheme. However, there would be a requirement for an additional £200,000 per annum in funding for the formula led income support scheme if no support is provided for the black

bag charges, increasing to £494,000 per annum if support is provided for one black bag per household per week. Whilst the Committee fully accepts that calculation of the benefits payable within the income support scheme should incorporate allowance for household waste charges, it questions whether the inclusion of an allowance for a black bag supports the aim of encouraging behaviour change through waste minimisation and increased recycling and would urge the Committee *for* Employment & Social Security to regularly review the appropriateness of this approach.

It is very disappointing that no allowance was made for these additional costs in the projection for income support expenditure included in the Medium Term Financial Plan or the 2018 Budget. Therefore, the funding requirement would need to be drawn from the Budget Reserve in 2018 and included within the Budget Estimate for 2019 and subsequent years, reducing the funds available for allocation to other services. The Committee notes that the Committee *for* Employment and Social Security will include its policy with regards to the treatment of household waste charges and the significant cost implications for General Revenue in its policy letter dealing with the detail of the implementation of the new income support system.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Gavin St Pier', written in a cursive style.

Deputy Gavin St Pier
President

cc. President, Committee *for the* Environment & Infrastructure
President, States' Trading Supervisory Board