

Trade waste price increases 2025/2026

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Key decision? NO

Local ward members N/a



Lichfield
District Council

**OFFICER
DECISION**

1. Executive summary

- 1.1 The council offers a trade waste service to local businesses, that includes a refuse and dry recycling collection – [view our trade waste service](#).
- 1.2 The charges levied help to cover the cost of delivering the services which increase year on year.
- 1.3 To date the charges have been reviewed on a regular basis to ensure the income generated continues to meet the costs of delivery.

2. Decision

- 2.1 To increase the trade waste prices from 1 April 2025 in line with the published RPI rate from the preceding January ([shows change over the last 12 months](#)) which is 3.6%, plus associated increase in gate fees/disposal costs, rounded up or down to the nearest £1, as detailed in Appendix 1.

3. Background

- 3.1 It is essential that the council recovers the full cost of delivering a trade waste service to local businesses and the increase in prices will ensure the cost of delivery are supported through income generation.
- 3.2 The proposed increase reflects the increase in running cost of the service (including increase in fuel costs, national insurance increases etc) and also reflects the additional costs the council is facing when disposing of the waste, either through disposal costs or gate fees (4.7% for refuse and 6.38% for recycling).
- 3.3 The **corporate fees and charges policy** approved by Full Council on 25 February 2025 includes corporate charging principles that should be applied when setting charges:

4.1 This policy will be used when setting charges, and the charges aim to:

- Contribute to the achievement of corporate and service objectives.
- Maximise potential income, to achieve financial objectives, unless there is an explicit policy decision to subsidise the service.
- Be capable of being justified, in comparison with other similar providers.
- Take account of the ability of different users to pay, using discounts and concessions, where appropriate.
- Differentiate between differing levels of a service being provided.
- Take account of the views of and minimise the impact upon users, where new or significantly higher charges are proposed, and where this is possible.
- Optimise the ease of collection of charges and minimise the costs of collection.
- Be regularly reviewed, using the latest available market information, and revised/updated, based upon such new information.

3.4 As a discretionary service, trade waste prices have a pricing objective of full cost recovery. It is also important to highlight as part of the decision-making process, there is an important pricing principle around full cost recovery. If the decision is taken to no longer achieve full cost recovery, then the service will increasingly be subsidised by the council taxpayer. This subsidy will therefore impact on the council's ability to fund other council services including many that are mandatory in nature.

Alternative options	Not increase prices and risk the income not covering the cost of delivery.
Consultation	Leadership team and the Cabinet Member for Operational Services, Parks & Waste support the price increase.
Financial implications	<p>The increase will help to cover the cost of the service and is in line with the revenue increase incorporated in the council's MTFS.</p> <p>The income budget in 2025/26 for trade waste is (£584,300) (excluding VAT).</p> <p>The MTFS assumed a minimum price increase to reflect inflation of 2.50% (excluding any other cost increases).</p>
Approved by Section 151 Officer	Yes
Legal implications	<p>The contracts make provision for:</p> <ul style="list-style-type: none"> • Contracts run for a minimum 12-month period, with price adjustments made annually based on RPI and gate fee changes. • LDC reserves the right to impose a surcharge if diesel prices exceed £1.50 per litre. • Customers can terminate after one year's service with six months' notice. • LDC retains the right to terminate contracts with three months' notice, offering pro-rata refunds for unfulfilled service.
Approved by Monitoring Officer	Yes
Contribution to Lichfield District 2050	The provision of a trade waste service helps to ensure waste across our district produced by businesses is disposed of and recycled effectively.
Data assessment	The increases will help to cover the cost of delivery.
Equality, diversity and human rights implications	None
EIA logged by Equalities Officer	No
Crime & safety Issues	None – it is not felt the increase will impact any levels of crime or disorder. See risk section.
Environmental impact (including climate change and biodiversity)	None – it is not felt the increase will impact any levels of crime or disorder. See risk section.

GDPR / privacy impact assessment	None
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	Risk description & risk owner	Original score (RYG)	How we manage it	New score (RYG)
A	Usage will reduce because of price increase	Likelihood: Green Impact: Yellow Severity of Risk: Yellow	This risk is unlikely, particularly given the comparative low cost of the service locally. We will monitor ongoing and publish the fact it is low cost and good value.	Likelihood: Green Impact: Green Severity of Risk: Green
B	Risk people will fly-tip items instead of using the service	Likelihood: Yellow Impact: Yellow Severity of Risk: Yellow	We continue to promote the consequences of fly tipping and encourage responsible waste management through high profile prosecutions and education.	Likelihood: Green Impact: Green Severity of Risk: Green
C	CPI based fee increases are insufficient to offset the costs of providing the service	Likelihood (Yellow) Impact (Yellow) Yellow (material)	The cost of providing the service will need to be monitored and compared to the level of income generated. Should cost increases significantly be above CPI resulting is a subsidy, then alternative pricing increases will need to be considered.	Likelihood (Green) Impact (Yellow) Green (tolerable)
D	The Cost of providing the service is not recovered from users and therefore a subsidy is provided by Taxpayers, and this would also require legal advice around Subsidy Control Requirements	Likelihood (Yellow) Impact (Yellow) Yellow (material)	Increase prices to recover full costs of service provision.	Likelihood (Yellow) Impact (Yellow) Yellow (material)

Background documents	N/a
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Relevant web links	N/a
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