

Meeting date: 22nd APRIL 2021
Report to: CABINET MEMBER FOR
ENVIRONMENT AND HIGHWAYS
**Subject/report
title:** CESSPOOL AND SEPTIC TANK SERVICE – FEES AND
CHARGES
Report from: HEAD OF HIGHWAY INFRASTRUCTURE
**Report
author/lead
contact officer:** EDWARD BRADFORD



Wards affected:

All Wards | Bickenhill | Blythe | Castle Bromwich | Chelmsley Wood |
 Dorridge/Hockley Heath | Elmdon | Kingshurst/Fordbridge | Knowle |
 Lyndon | Meriden | Olton | Shirley East | Shirley South |
 Shirley West | Silhill | Smith's Wood | St Alphege

**Public/private
report:** Public

**Exempt by virtue
of paragraph:** N/A

1. Purpose of Report

1.1 To seek Cabinet Member approval to a new fees and charges structure for the cesspool and septic tank service.

2. Decision(s) recommended

- a) To note the content of the report.
- b) To approve the fees and charges structure as set out in Appendix A.

3. Matters for Consideration

3.1 As part of the wider Highway Infrastructure team, Tanker Services operate a cesspool and septic tank emptying service. The service involves the collection of sewage from residential properties, including those owned by Solihull Community Housing, as well as various businesses in and around the Borough, none of whom are connected to the main Severn Trent Water foul water system. Once collected, the sewage is then transported to a sewage treatment works, e.g. Barston, where it is disposed of.

- 3.2 The service operates as a standalone financial cost centre. Income of £154.00 is received from customers for each emptying, with the costs of operating the service including labour, the running of a specialist vehicle and waste disposal charges made by Severn Trent Water covered by the £154.00. The waste disposal charges made by Severn Trent Water are based on the concentration of solids and other pollutants, with the sewage being classified at the point of disposal as either weak, standard or high.
- 3.3 Following works to upgrade their facilities, Severn Trent Water can better identify weak, standard and high waste at the point of disposal, which has led to a change in their pricing structure, which has resulted in an increase in the costs of disposal.
- 3.4 These changes in the costs associated with disposal have been identified by Officers to be unsustainable and there is therefore a need for the current pricing structure to be reviewed.

4. What options have been considered and what is the evidence telling us about them?

- 4.1 Officers have considered the following options:

Flat Rate Pricing Structure

- 4.2 Given the increase in the annual costs associated with disposal, Officers have identified that the charge made to customers for each emptying would need to increase to £165.00 for 2021/22 under a flat rate pricing structure. This charge would ensure that the service area could fully recover its costs.

Strength Based Pricing Structure

- 4.3 As a result of the works undertaken by Severn Trent Water, Officers now have the ability to differentiate between the strength of the waste at the time of disposal.
- 4.4 Under a strength based pricing structure, Officers have identified that the charge made to customers for emptying weak waste could remain at £154.00, but that a new charge of £218.00 would need to be introduced for emptying of standard waste, with an emptying of high waste being charged at £289.00, as set out in Appendix A.
- 4.5 As it would not be possible for Officers to identify the strength of the waste prior to disposal, the full charge associated with the service could not be paid in advance by each customer. In order to minimise the administrative effort required to manage the service should this option be taken forward, Officers propose that each customer be required to pay a basic charge of £154.00 with customers required to settle any difference on their account within 30 days should additional charges apply. Direct Debit options would be promoted.

5. Reasons for recommending preferred option

- 5.1 An increase in the charge of an emptying from £154.00 to £165.00 is unlikely to prove competitive and may result in the loss of custom.
- 5.2 Although the adoption of a strength based pricing structure will require additional administration, it will ensure fair charging as charges for weak waste do not increase

significantly and therefore remain competitive compared to the wider market.

6. Implications and Considerations

6.1 State how the proposals in this report contribute to the priorities in the [Council Plan](#):

Priority:	Contribution:
Economy: 1. Revitalising our towns and local centres. 2. UK Central (UKC) and maximising the opportunities of HS2. 3. Increase the supply of housing, especially affordable and social housing.	None.
Environment: 4. Enhance Solihull's natural environment. 5. Improve Solihull's air quality. 6. Reduce Solihull's net carbon emissions.	None.
People and Communities: 7. Take action to improve life chances in our most disadvantaged communities. 8. Enable communities to thrive. 9. Sustainable, quality, affordable provision for adults & children with complex needs.	It is proposed to change the pricing structure of the cesspool service in order to be able to continue running the service for those residents who depend on it.

6.2 Consultation and Scrutiny:

6.2.1 None.

6.3 Financial implications:

6.4 It is clear that the changes in the annual disposal costs are unsustainable and that the current fees and charges associated the service require review.

6.5 The adoption of the proposed Strength Based Pricing Structure, as set out in Appendix A, will ensure that the service area will meet its annual income target.

6.6 Legal implications:

6.6.1 None.

6.7 Risk implications:

6.7.1 None.

6.8 Equality implications:

6.8.1 No implications have been identified as a result of the statutory public sector equality duty to have 'due regard' under the Equality Act 2010.

7. List of appendices referred to

7.1 Appendix A – Proposed Structure of Fees and Charges

8. Background papers used to compile this report

8.1 None.

9. List of other relevant documents

9.1 None.