

EAST HERTS COUNCIL

ENVIRONMENT SCRUTINY COMMITTEE - 14 SEPTEMBER 2010

REPORT BY THE HEAD OF ENVIRONMENTAL SERVICES

8. RECYCLING BANKS: IMPLICATIONS OF ACHIEVING MEDIUM TERM FINANCIAL PLAN SAVINGS

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To advise on the options and implications of continuation or cessation of the provision of bring site recycling banks for some materials.

RECOMMENDATIONS FOR ENVIRONMENT SCRUTINY COMMITTEE	
(A)	The options for ceasing provision of some recycling banks services be considered.
(B)	The Executive be advised of any recommendations.

1.0 Background

1.1 The Council provides bring site recycling banks at 35 sites. Facilities at these sites range from a single textile bank, operated by a charity to multiple bank sites offering the full range of materials, i.e. paper, glass, cans, plastic bottles, textiles and shoes. Seven sites have plastic banks. Some bring sites are situated on Council owned land such as car parks, whilst others are on private land like supermarket car parks, with the agreement of the land owner.

1.2 When local authorities first started to develop recycling services it was through the development of a network of bring sites, which grew as an increasing range of materials could be recycled or reused. The success of bring sites was dependent upon the enthusiasm of the residents to go out of their way to separate materials and then transport them to a bring site. These systems were not going to be able to meet the levels of performance that came to be required, so house to house or kerbside collection services were developed. Although more expensive than the bring schemes they are much more efficient at engaging the public and

the level of material collected much higher. To offer some perspective in the year leading up to the introduction of ARC in November 2009 the can banks and plastic bottle banks yielded 93.5 tonnes. The plastic bottles and mixed cans collected at the kerbside since November 2009 have averaged in excess of 100 tonnes *per month*.

- 1.3 Banks are serviced through consortium contracts with other Hertfordshire local authorities, managed through the Hertfordshire Waste Partnership. The Paper and Glass contract is managed by Welwyn and Hatfield Council and the cans consortium by East Herts Council. New contracts were recently let and East Herts has the option to participate in these should it wish to do so.
- 1.4 Contractors have specialist equipment to lift or empty banks and it makes sense for these services to be procured on a County wide basis, separately from kerbside collection services.
- 1.5 In financial terms expenditure is made to the contractor on a charge 'per lift/empty' basis. Income is received through the sale of materials and from the County Council in 'recycling credits'. One of the materials, paper, currently generates a surplus, whilst the other materials operate at a deficit. Currently the textile, shoe and book banks are all operated by charities and there is no cost or financial benefit to the Council with these.
- 1.6 Since the introduction of alternate weekly collections in November 2009 usage of the bring sites has reduced, with glass tonnage falling by nearly 100 tonnes (21%), cans falling by 5 tonnes or 32% and plastic bottles by nearly 26 tonnes or 54%. This data is based on 8 months information from November 2009 to June 2010. As can be seen from the above figures the tonnage from these banks, with the exception of the glass banks was already low with the can banks only yielding 22.7 tonnes in the year before ARC and the plastic bottle banks 70.8 tonnes, whereas the glass banks yielded 468 tonnes.
- 1.7 The reduction in usage of these banks is primarily due to migration to kerbside collection. It is well documented that increasing the range of materials collected kerbside will increase the amount of the existing materials being collected. When the range of materials that can be recycled from home are more comprehensive or match what can be recycled at bring sites users switch to the collection service. However they still continued to be used, primarily by residents of communal properties who either

have no or limited recycling facilities at their premises, and by residents who prefer to dispose of recyclables this way.

1.8 It should be noted that Recycling Banks are provided for domestic use only. Businesses do not contribute to Council Tax and are therefore not entitled to free waste collection. Legislation prevents local authorities from mixing commercial recycling with domestic in their performance statistics.

2.0 Report

2.1 In 2008/9 officers were asked to put forward options for achieving the Council's budget shortfall. An option is to cease to provide recycling banks for materials that do not generate income. The actual saving achievable varies with the amount of material collected and costs and frequency of emptying. Now that ARC has been in place for 9 months, better information is available with which to calculate the financial position.

2.2 The removal of the banks for those materials which operate at a deficit has been included in the MTFP for 2011/12. It is now projected that this could yield a saving of £44,000. The glass banks operate with a deficit of £14,000, the cans banks £9,000 and the plastic bottle banks £21,000.

2.3 The recycling centres are cleaned, at various frequencies, dependant on usage, by the council's street cleansing contractor. It is anticipated that this will cost £16,600 in 2010/11. The charge is based per recycling centre and no savings from this activity have been included in this report or the MTFP. Whilst the size of the recycling centres will reduce if various banks are withdrawn it is not proposed to withdraw completely from sites. Negotiations with the contractor will be necessary to see if a reduction in the rate per centre is possible based on a lesser area to be cleaned. This activity is included in the now out to tender Refuse, Recycling and Street Cleansing Contract so the cost from 2011/12 onward is unknown until tender evaluation has been completed. Contract award is planned for November 2010.

2.4 At predicted levels for 2010/11 if the glass banks were withdrawn from 2011/12 it is estimated the recycling rate could fall by 0.6%, whilst the cans banks would have an affect of less than 0.02% and withdrawing the plastics banks could reduce recycling performance by around 0.03%. Whilst the waste service is performing above target at present it has already been suggested

by central government that more ambitious targets of 60% recycling/composting could be introduced. If this were to occur then all contributions towards this higher target would be valued.

- 2.5 All of the materials collected via the bring system that represent a cost to the Council can be recycled through the kerbside collection service, so house dwellers could use the kerbside collection service rather than the bring sites. However, some customers, particularly those at communal properties, would be adversely affected. More details of the implications are shown at **Essential Reference Paper B**.

3.0 Consultations

None.

Background Papers

None.

Contact Member: Councillor Malcolm Alexander, Executive Member for Community Safety and Protection.

Contact Officer: Cliff Cardoza, Head of Environmental Services - Extn: 1698.

Report Author: Trevor Watkins, Waste Services Manager - Extn: 1549.

ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	<p>Promoting prosperity and well-being; providing access and opportunities <i>Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.</i></p> <p>Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i></p> <p>Pride in East Herts <i>Improve standards of the neighbourhood and environmental management in our towns and villages.</i></p> <p>Leading the way, working together <i>Deliver responsible community leadership that engages with our partners and the public.</i></p>
Consultation:	None
Legal:	None
Financial:	£44,000 shortfall in MTFP if glass, cans and plastic bottle banks not withdrawn.
Human Resource:	None
Risk Management:	Dissatisfaction of residents that currently use these banks services and potential negative publicity. Small reduction in recycling performance.

Community and Cultural Services
Medium Term Financial Plan 2011/12
Recycling Bring Sites

<p>Budget line description of activities/service</p>	<p>Provision of recycling banks for glass, cans, plastics.</p> <p>Option: To cease provision of banks for these materials at all sites.</p> <p>Cost Saving: £44,000 per annum based on the anticipated net costs for 2010/11. As follows:</p> <ul style="list-style-type: none">- Glass banks £14,000- Can banks £9,000- Plastic bottle banks £21,000. <p>In addition, following the introduction of ARC and the fall in the volume of plastics collected, the frequency of collection has been reduced. The service budget for this item is now overstated and can be reduced by an additional £20,000. The total net impact upon the Medium Term Financial Plan is therefore £64,000.</p>
<p>Impact of reduction:</p>	<p>Most householders (48,500) can recycle all the materials the Council provide bring sites for through the kerbside collection service, so should not be affected by the withdrawal of these banks.</p> <p>However, residents who live in communal style properties, approximately 9,500, may be dissatisfied if the banks are withdrawn, if they do not have suitable facilities at their property. Two thirds of communal premises have recycling containers for paper, half have bins for glass and almost half have containers for cans. Currently no communal properties have facilities to recycle plastic bottles. Some 1,100 of properties do not have the space for any recycling bins and a small number have had the facilities withdrawn following persistent contamination. Providing recycling facilities to flats requires the individual agreement of the site management company to provide the location for communal bins. The Council has a programme for rolling out communal bins for plastic bottles this autumn.</p>

	<p>However, there will continue to be properties where it is not possible to provide this service.</p> <p>Banks also provide additional capacity for residents in some circumstances, (e.g. Christmas; parties) – particularly for glass.</p> <p>The County Council provide Household Waste Recycling Centres where these materials can be taken within or close to the District at:</p> <p>Cole Green (no plastic bottles) Ware Buntingford Turnford Hoddesdon Bishops Stortford Stevenage</p>
<p>Risk management issues:</p>	<p>Public dissatisfaction from residents in communal properties who do not have recycling facilities or the full range at their property.</p> <p>Public dissatisfaction from those residents with kerbside collection services who prefer to deposit their recyclables in banks.</p> <p>There may be a drop in the recycling rate, a National Indicator, by less than 1%. The Council has a target to achieve 50% of waste recycled and composted by 2012.</p>
<p>Human Resource issues:</p>	<p>No quantifiable immediate HR issues. However, it is likely that there would be an increase in complaints and enquiries during implementation.</p>
<p>Sensitivity: (high, medium, low)</p>	<p>High. Some residents would not be able to recycle so easily or be limited to what they could recycle. Others would not be able to dispose of excess recyclables through these sites.</p>
<p>Options/ alternatives:</p>	<p>a) Continue with provision but this will result in shortfall in MTFP.</p> <p>b) Withdraw the can and plastic bottle banks to provide a cost saving of £30,000 whilst having minimum impact on recycling performance, although this will mean some residents of communal properties have fewer options as to how they can recycle these materials.</p>

	<p>c) Withdraw from some sites only, resulting in a pro-rata saving, depending on the number remaining and the willingness of residents to travel further to deposit recyclables at remaining sites.</p>
--	--