

## **AGENDA ITEM NO 11**

### **APPENDIX 3 TO REPORT NO 257/16**

#### **ANGUS COUNCIL**

#### **COMMUNITIES COMMITTEE 24 MAY 2016**

#### **STRATEGIC REVIEW OF RECYCLING CENTRES – REPORT NO 209/16**

#### **REPORT BY HEAD OF REGULATORY AND PROTECTIVE SERVICES**

### **ABSTRACT**

This report provides members with full information on the strategic review of recycling centre provision within Angus that has been undertaken following Report 144/16 to Communities Committee on 12 April 2016 and makes recommendations in the light of the severe financial pressures facing Angus Council as set out in this report.

### **1. RECOMMENDATIONS**

It is recommended that the Committee:

- (i) notes the severe financial pressures facing Angus Council as set out in section 6 of the report;
- (ii) agrees investment of approximately £135,000 in the existing recycling centre at Cairnie, Arbroath to improve the layout of the facility and enhance reuse and recycling provision;
- (iii) agrees investment of approximately £230,000 in the existing recycling centre at Broomfield Road, Montrose to improve the layout of the facility and enhance reuse and recycling provision;
- (iv) agrees the provision of a new recycling centre to serve Forfar and Kirriemuir and remit the Head of Regulatory and Protective Services to identify a suitable location and bring forward a planning application to Development Standards Committee;
- (v) agrees to the closure of Brechin Recycling Centre once improvement works at Montrose Recycling Centre have been completed;
- (vi) agrees to the closure of Carnoustie Recycling Centre once improvement works at Arbroath Recycling Centre have been completed;
- (vii) agrees to the closure of Monifieth Recycling Centre once improvement works at Arbroath Recycling Centre have been completed;
- (viii) agrees to the closure of Forfar and Kirriemuir recycling centres upon completion of the new facility as outlined above;
- (ix) remits the Head of Regulatory and Protective Services to agree a shared services arrangement with Dundee City Council that would allow Angus residents to access the recycling centre located at Baldovie, Dundee; and

- (x) agrees to end the servicing of skips from the recycling centre currently managed by the Edzell Village Improvement Society (EVIS).

## 2. ALIGNMENT TO THE ANGUS COMMUNITY PLAN/SINGLE OUTCOME AGREEMENT/CORPORATE PLAN

This report contributes to the following local outcomes contained within the Angus Community Plan and Single Outcome Agreement 2013-2016:

- Our communities are safe, secure and vibrant
- Our communities are developed in a sustainable manner

## 3. BACKGROUND

Reference is made to Report no. 144/16 considered by the Communities Committee on 12 April 2016. It was agreed to defer recommendation (1) of the report regarding a strategic review of recycling centres to the next meeting of this Committee to enable officers to submit full background information and bring forward alternative solutions to meet the previously agreed level of savings.

Reference is also made to Report no. 328/14 agreed at the Communities Committee held on 19 August 2014. The Communities Committee agreed the report by the Scrutiny Panel entitled "Progress Towards Zero Waste" (agreed by Scrutiny and Audit Committee on 24 June 2014). Recommendation 3 from that report read as follows:

*"A service review of recycling centres should be undertaken. This review should be timed to allow the kerbside roll-out to be completed and embedded. It should consider the need for the current number of recycling centres; assess the fitness for purpose of each centre; look at options for extending the range of materials that can be recycled at the centres; and highlight investment needed to create an appropriate number of centres to complement the kerbside recycling service."*

Reference is also made to the special Angus Council meeting held on 18 February 2016 and Report no. 61/16 – Provisional Revenue and Capital Budgets 2016/2017 and Beyond - Provisional Revenue Budget and Savings Proposals Volume. At the meeting the following saving proposal was agreed.

- Redesign delivery of recycling centre provision (£175,000 ongoing saving identified. This is in addition to £75,000 ongoing saving previously identified within the Communities RB6).

In pursuance of the above, a strategic review of recycling centre provision has been completed. This included carrying out an appraisal of alternative options for achieving the previously agreed level of saving and other key service delivery objectives. A summary of these objectives and the outcome of the option appraisal is presented in **Appendix 1**. This includes a SWOT (strengths, weaknesses, opportunities, threats) analysis for each identified option alongside the estimated saving that each option would deliver – **Appendix 2**.

Considerable feedback was received in relation to the proposals set out in Report 144/16 regarding changes to recycling centre provision. The issues and opinions that have been communicated directly to the council have been considered and the option appraisal that was previously carried out has been reviewed and updated in order to ensure all pertinent matters have been given adequate consideration.

## 4. CURRENT POSITION

There are currently seven recycling centres in Angus located in each of the largest towns (Arbroath, Brechin, Carnoustie, Forfar, Kirriemuir, Monifieth, Montrose). The Centres are open from Monday to Friday 9.15am to 5pm, and Saturday and Sunday 9.15am to 4pm. There is no charge for residents disposing of household waste however charges are applied for business

customers disposing of commercial waste via a pre-paid waste disposal vouchers purchased at ACCESS offices.

The Edzell Village Improvement Society (EVIS) currently manage a recycling centre in the village. They are the SEPA licence holders and are responsible for the daily monitoring and maintenance of the site. The council however provides and services skips and containers for general waste and other materials.

The table below shows the amount of recycling (cans, plastics, paper, cardboard, glass) collected at each centre before (2013) and after (2015) the roll-out of the new kerbside recycling service. This highlights that more residents are now recycling at home rather than visiting recycling centres.

<b>Reduction in kerbside recycling bin materials (cans, plastics, paper, cardboard, glass)</b>			
<b>Recycling centre</b>	<b>2013 (tonnes)</b>	<b>2015 (tonnes)</b>	<b>% Reduction</b>
Arbroath	349.64	210.74	39.73%
Brechin	216.02	114.79	46.86%
Carnoustie	214.95	97.71	54.54%
Forfar	495.30	231.58	53.24%
Kirriemuir	157.14	67.49	57.05%
Monifieth	161.37	102.39	36.55%
Montrose	368.27	229.61	37.65%
<b>Total</b>	<b>1962.69</b>	<b>1054.31</b>	<b>46.28%</b>

Accurate waste tonnage data is available and the amount of general and garden waste collected at each of the seven centres during 2014/15 is shown in the table below. There are no traffic counter systems installed at any of the existing recycling centres therefore it is not possible to provide an accurate estimate of visitors to each centre however the amount of waste handled provides an indication of how busy each centre is in comparison to each other.

<b>Recycling Centre</b>	<b>General Waste (tonnes)</b>	<b>Garden Waste (tonnes)</b>	<b>Combined Total</b>
Arbroath	2,972	797	3,769
Montrose	1,731	503	2,234
Forfar	1,601	491	2,092
Brechin	1,363	418	1,781
Carnoustie	1,011	392	1,403
Monifieth	847	432	1,279
Kirriemuir	696	210	906

Report 144/16 highlighted that there are a number of significant design and operational issues with all of the current recycling centres and while the extent of the problems varies from site to site, none are considered entirely fit for purpose. A summary of the issues raised in Report 144/16 is provided below.

- Delays for customers – the need to close the site when a skip is full and requires transferred off site means that there can be significant delays for customers when skips are being exchanged. This can happen several times per day, especially at weekends when the sites experience their busiest periods. All sites with the exception of Arbroath can experience these problems.

- Traffic congestion – size and layout of centres means there can be congestion and traffic management issues on site during busy times. This is an inconvenience for customers, but more importantly presents site attendants and managers with significant health and safety concerns. All sites with the exception of Arbroath suffer from traffic congestion at peak times.
- Limitations on recycling and reuse – the lack of space at existing centres restricts the opportunities to increase the range of recycling containers and to introduce dedicated areas where items could be accepted for reuse rather than recycling or disposal. Limited opportunities for reuse means that materials such as items of furniture which could be donated to the third sector are deposited in a general waste container which goes straight to landfill. This is not only a waste of valuable resources but also has financial implications through increased costs of waste disposal.

The option appraisal summary in **Appendix 1** includes a summary of the current status of each recycling centre and their potential/scope for expansion and re-development.

## 5. PROPOSALS

The proposals as they affect each of the seven existing centres are as follows:

### Arbroath

The existing site located at Cairnie Loan, Arbroath is our biggest and busiest facility serving the largest centre of population within Angus. There is sufficient land available to redevelop this site to improve the layout and separate operational and customer traffic. This will ease traffic congestion and allow greater opportunities for recycling and reuse.

**Recommendation - Retain and redevelop**

### Montrose

In terms of the volume of waste handled Montrose is the second busiest centre in Angus. Like Arbroath there is sufficient land available to redevelop this site to improve the layout and separate operational and customer traffic. This will ease traffic congestion and allow greater opportunities for recycling and reuse. **Recommendation - Retain and redevelop**

### Forfar/Kirriemuir

Both Forfar and Kirriemuir centres experience significant traffic congestion issues during peak periods with occasional queuing onto main road. These sites would require significant investment to bring them up to modern day standards, however, neither site has sufficient land available to allow any meaningful redevelopment to address these issues. The proposal is therefore to provide a new centre in the Forfar/Kirriemuir area that would service both communities. **Recommendation - Close existing centres and provide new facility**

### Brechin

The centre at Brechin is very limited in size and experiences issues with traffic congestion and queuing onto main road and lack of space to offer opportunities for recycling and reuse. There is no land available to redevelop the site and alter the layout so that these issues could be addressed. If the site was operated on a part time basis this would narrow the window during which waste could be accepted which would lead to even greater traffic management issues.

**Recommendation - Close**

### Carnoustie

The centre at Carnoustie is very limited in size and experiences issues with traffic congestion and queuing onto main road and lack of space to offer opportunities for recycling and reuse. There is no land available to redevelop the site and alter the layout so that these issues could be addressed. There is also the requirement for operational vehicles to drive through the

centre to access the adjoining council depot. If the site was operated on a part time basis this would narrow the window during which waste could be accepted which would lead to even greater traffic management issues. **Recommendation – Close**

## Monifieth

The centre at Monifieth is very limited in size and experiences issues with traffic congestion and lack of space to offer opportunities for recycling and reuse. There is very limited land available to redevelop the site and alter the layout so that these issues could be addressed. If the site was operated on a part time basis this would narrow the window during which waste could be accepted which would lead to even greater traffic management issues. In addition the Council require to make a payment to the Ministry of Defence (MoD) of £23,000 per annum to allow access to the site for operational vehicles across MoD land to avoid the low bridge. **Recommendation – Close**

The option to retain the 7 existing recycling centres with the introduction of a charging system for all customers coming on to the sites was evaluated following feedback from the community. After careful consideration a decision was taken not to pursue this option on legal and practical grounds. The introduction of a charge would potentially contravene the Environmental Protection Act 1990, and the introduction of a barrier or ticket type system would potentially exacerbate queues and traffic congestion on site. The current locations and layout of sites are not considered compatible with such as scheme and significant capital investment would be required to make them suitable.

The recommended option remains a change from the provision of a recycling centre in each town/burgh of Angus to three larger and improved recycling centres that will offer strategic coverage across the region. As detailed in Appendix 1, this option was identified as being the most aligned with the strategic objectives of the review and the recommendation made by the Scrutiny Panel (reference Report no. 328/14) and the option that is in line, at this time, with the severity of the financial pressure facing the Council.

Central to the preferred option, is the development of improved facilities at the remaining three centres. An enhanced layout at the centres in Montrose and Arbroath would allow for the separation of operational and customer traffic, eliminating up to a 20 minute waiting time for customers while skips were being exchanged. Improved layouts will also make it easier for customers to park and recycle their waste, and additional space on site will allow for a wider range of recycling containers to be provided, including dedicated reuse areas. The option appraisal summary presented in **Appendix 1** provides full background information on the selection of the preferred option.

As identified in Report 144/16, there is sufficient available land at the Arbroath and Montrose recycling centres to enable expansion and improvement of these facilities. This is not possible at either Forfar or Kirriemuir recycling centres due to lack of available land. For this reason it is proposed that a new centre is developed that can provide the same range of facilities that will be provided at the improved Arbroath and Montrose recycling centres.

As part of the ongoing shared services meetings between neighbouring authorities, discussions have taken place with Dundee City Council (DCC) around closer working arrangements particularly in relation to waste management. A key element of these discussions is the shared use of facilities where this can lead to more effective service delivery. Dundee City Council's Baldovie Recycling Centre is located 5 miles from the current Monifieth Recycling Centre and DCC have indicated their willingness to discuss and consider a formal partnering arrangement that would allow Monifieth and other south Angus residents to be given full access to the Baldovie Centre. It is therefore recommended that the Head of Regulatory and Protective Services be remitted to continue with these discussions and if deemed appropriate to agree a formal a partnership arrangement with DCC prior to the proposed closure of the Monifieth centre.

In addition to reducing from seven council operated recycling centres to three, it will only be possible to realise the reduction in staffing and transport costs required by stopping the servicing of skips from the facility maintained by EVIS in Edzell. EVIS will be consulted and the most likely outcome would be that the site would change from a recycling centre to a Neighbourhood Recycling Point (recycling bins would continue to be serviced).

## 6. FINANCIAL IMPLICATIONS

### Context

As members of the Committee are aware the Council has faced, and will continue to face for the next few years, unprecedented financial challenges. The 2016/17 Grant Settlement was the most challenging in the Council's 20 year history and tough financial settlements will be the norm for the foreseeable future.

The most recent update to the Council's Medium Term Financial Strategy (Report 121/16 refers) indicates that the Council will have to find further savings in the period 2017/18 to 2019/20 of between £20m and £35m. This is equivalent to between 9% and 16% of the current budget. These further savings must also be achieved in a context where £34m (15%) and 370 FTE staff has already been removed from budgets in the last 5 years.

Officers across the Council are working exceptionally hard to change and redesign services to deliver the financial savings in a way that protects the delivery of services as far as possible. However the scale of the projected financial gap, and taking account of previously delivered savings and efficiencies means there is no prospect of this gap being bridged without impact on frontline services and fundamental changes and redesign in how the Council manages its business and delivers services.

The proposals in this report do mean significant changes in service delivery but changes such as this are unavoidable given the structural (ongoing) reductions that must be made to budgets in areas of significant spend.

### Implications

The implementation of the proposals included in this report relating to recycling centres would result in an estimated on-going saving of £258,000 from the Communities Directorate's revenue budget. The table provides a breakdown of how this will be realised.

<b>Description</b>	<b>£'000</b>
Saving from reduction in staffing costs	160
Saving from reduction in transport costs	28
Saving from reduction in licensing and property costs	70
Estimated total saving	258

A sum of £1,454,000 is included in the current capital plan for the development of new and existing recycling centres as proposed in this report. Approximately £230,000 will be required to upgrade the Montrose centre, £130,000 to upgrade the Arbroath centre, with the remainder being required for the proposed new site to replace Forfar and Kirriemuir. A further report will be submitted to committee in due course providing more detailed proposals in keeping with the Councils Financial Regulations and procurement guidelines.

The reduction in the staff establishment of 6 full time equivalent posts resulting from the proposals will be managed mainly through natural turnover of staff and the cessation of temporary contracts. Any costs related to redundancies or early retirements will be contained within the existing revenue budget for Regulatory and Protective Services. Staff directly affected by the recommendations contained within this report and the relevant trade unions have been briefed on the matter and further consultation will take place prior to and during implementation.

## **7. CONSULTATION**

The Chief Executive, Strategic Director – Resources, Strategic Director – People, Head of Legal & Democratic Services and Head of Corporate Improvement and Finance and the Chief Executive Officer of Angus Alive have all been consulted on the terms of this report.

**NOTE:** No background papers, as detailed by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above report.

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