

ANGUS COUNCIL – 6 SEPTEMBER 2018

REVIEW OF RECYCLING CENTRE PROVISION WITHIN ANGUS

REPORT BY HEAD OF COMMUNITIES

ABSTRACT

This report sets out proposed changes to Recycling Centre provision within Angus. It fulfils the commitment made in the motion agreed by Angus Council on 7 September 2017 to conduct a further review in light of the implications of the long term contract to dispose of the council's residual waste.

The Objective of this Policy is to help citizens throughout Angus to increase the recycling of their waste, thereby reducing damage done to the environment and making better use of Angus Council's limited budget. We shall achieve this by having recycling centres in all 7 of our towns. These centres will not be identical, but will be designed to help citizens maximise recycling.

1. RECOMMENDATIONS

The Council is asked to agree:

- (i) That the Centres located in Arbroath, Forfar and Montrose operate between the hours of 9.15am to 4pm with seasonal evening opening one day per week with effect from 1 February 2019.
- (ii) That the Centres located in Arbroath, Forfar and Montrose continue to accept the full range of materials as at present, including provision for general waste.
- (iii) That the Centres located in Brechin, Carnoustie, Kirriemuir and Monifieth continue with amended hours as at present.
- (iv) That the Centres located in Brechin, Carnoustie, Kirriemuir and Monifieth will accept materials for recycling only, and that the provision for general waste will be removed with effect from 1 February 2019. Materials which will be accepted as recycling, and examples of materials that will be considered general waste is shown in **Appendix 2**.
- (v) That a householder permit scheme for larger vehicles and trailers be introduced as outlined in section 3.8 of this report.
- (vi) That seasonal evening opening hours are continued for a further period of 12 months for the reasons outlined in section 3.13 of this report.
- (vii) That Forfar Recycling Centre is reconfigured to accommodate additional containers and enhance traffic flow.
- (viii) That all of the above is subject to an extensive education and awareness raising campaign designed to engage with the citizens of Angus
- (ix) That if the recycling rates specified in section 3.6 below are not achieved then the provision of facilities and associated budgets as detailed in this report will require to be reviewed.

2. ALIGNMENT TO THE ANGUS LOCAL OUTCOMES IMPROVEMENT PLAN/CORPORATE PLAN

This report contributes to the following local outcomes contained within the Angus Local Outcomes Improvement Plan and Locality Plans:

ECONOMY

- An inclusive and sustainable economy
- A skilled and adaptable workforce
- Attractive employment opportunities

PLACE

- Safe, secure, vibrant and sustainable communities
- A reduced carbon footprint
- An enhanced, protected and enjoyed natural and built environment

This report also aligns to the [Council Plan 2017-2022](#) priority for the council to be effective and efficient, specifically for our services to represent best value and to be focused on the greatest need

3. BACKGROUND

Options Appraisal

- 3.1 Members are reminded of [report 209/16](#) "Strategic Review of Recycling Centres" which came before the Communities Committee in May 2016. The recommendation in that report was that the council should move to the provision of three Recycling Centres, located at Arbroath Forfar and Montrose, and that the four remaining centres located at Brechin, Carnoustie, Kirriemuir and Monifieth should close.
- 3.2 This recommendation was based upon an options appraisal which was carried out in early 2016, which scored future options for recycling centre provision against seven key objectives, one of which was the delivery of a £250,000 saving against the existing base budget.
- 3.3 At the time this review was undertaken, all general waste collected at Recycling Centres was disposed of at the council owned landfill site at Restenneth near Forfar. This meant that as disposal costs were comparatively low, there was less of a financial incentive to maximise recycling and minimise disposal of general waste. In preparation for the ban on the disposal of municipal bio-degradable waste to landfill, introduced by the Waste (Scotland) Regulations 2012, Restenneth landfill site closed on 1st April 2018.
- 3.4 In order to provide a long term alternative to landfill, and in keeping with the council's ambition to be one of the most environmentally sustainable local authorities in Scotland, Angus Council entered into a 28 year contract with MVV Environment Baldovie Ltd (MEB) in November 2017 for the disposal of all municipal household waste, including general waste collected at recycling centres.

- 3.5 Given this material change of circumstance, the 2016 Options Appraisal has been reviewed against the background of the MEB contract. The most significant change is that from a financial perspective, there is now a far greater focus on maximising recycling from our facilities, and less of a focus on the operational running costs. If our recycling centres can perform at an average of 60% recycling across the estate, this will deliver a saving in excess of the £250,000 identified in report [209/16](#) by diverting waste from disposal by incineration to a more cost effective and environmentally sustainable end destination.
- 3.6 This revised Options Appraisal was carried out in July 2018, taking into account the new focus on minimising general waste and maximising recycling, but otherwise replicating the methodology used previously to ensure a like for like comparison. The revised options appraisal concluded that a seven centre model for future recycling centre provision offered the best outcome both for environmental and financial sustainability. This is predicated on the basis that across the whole estate an average recycling rate of 60% could be achieved compared with a 51% recycling rate achieved in 2017. Key to this is making recycling as easy and convenient for the public as possible. The revised options appraisal and SWOT analysis are shown in **Appendix 1**.
- 3.7 The challenge in delivering this improved performance should not be underestimated. It requires all of the citizens of Angus to consider how they generate and dispose of their waste responsibly. Our campaign, for ‘right stuff, right bin”, is already taking steps to encourage and support this, but our centres will also change the way they operate. It is proposed that our ambition is supported by the following actions:
- Citizens will continue to have the facility to sort all their waste for recycling from their doorstep. We will continue to collect: food in most areas; glass; paper, cardboard, plastics and cans direct from the kerbside.
 - We will increase our recycling rates by focusing on our collective responsibility of sorting the waste we generate. The four centres located at Brechin, Carnoustie, Kirriemuir and Monifieth will become exclusively recycling centres with no mixed waste or general waste accepted at these facilities. Removal of general waste containers will free up space for additional recycling provision at each of these centres.
 - The three remaining Centres at Arbroath, Forfar and Montrose will benefit from longer opening, and will continue to accept general waste. The site at Forfar will be reconfigured to increase the existing footprint to accommodate additional containers, and where possible to separate operational vehicles from customer traffic to enhance traffic management. The sites at Arbroath and Montrose will remain largely unchanged as they have recently undergone similar refurbishment.
 - An additional staff member will be provided at Arbroath, Forfar and Montrose. All staff employed at Recycling Centres will be trained to assist members of the public with more information to minimise general waste, reduce contamination and maximise recycling. This will help us achieve our ambition to be one of the best recycling counties in the country.
 - A consistent monitoring and enforcement policy will be applied across the seven sites, with strict site rules being introduced to ensure that there is no contamination of recyclable materials. A combination of Automatic Number Plate Recognition (ANPR) and enhanced CCTV will be installed at centres which will assist in tracing those who fail to comply with site rules and a more robust approach to the acceptance of commercial waste will be adopted.

- An extensive communications campaign ‘Right Stuff, Right Skip’ will be developed to inform, educate and engage with the public around the need to recycle more of their waste. This will help the Council meet its ambition of being the most environmentally friendly local authority in Scotland, and at the same time deliver financial targets which will enable local recycling centres to be kept open. Whilst challenging, striving to maximise recycling is clearly the right thing to do and chimes well with the current raised public awareness and demand for more responsible waste management. This heightened awareness will assist the council to take a firm stance on these proposals and move the conversation away from the facilities themselves and towards a narrative around taking personal responsibility for the waste we create and disposing of it responsibly.

Household Permit Scheme

- 3.8 Local Authorities are required by the Environmental Protection Act 1990 to provide facilities for residents to dispose of household waste free of charge. However, they are not required to accept commercial waste at these facilities, and where they choose to accept commercial waste, they are entitled to charge for this service.
- 3.9 Angus Council currently has a voucher system in place whereby commercial customers must pay in advance if they wish to dispose of waste at our Recycling Centres. This scheme generates approximately £50,000 of external income per annum and works relatively successfully, but it is subject to abuse, particularly when commercial customers use unmarked vans to access sites and claim that they are disposing of household waste. Staff on site monitor and query suspected commercial users when appropriate but this can lead to confrontation which is stressful for staff and very challenging when sites are busy.
- 3.10 A number of local authorities including Dundee City Council and Perth & Kinross Council have adopted a residents permit scheme for non-commercial vans and trailers that requires residents to register their vehicle prior to visiting any recycling centre and to obtain a free permit. This permit allows a specified number of visits to a recycling centre per year, is non-transferable, and where residents have hired vans, they are required to show their hire documents. Consultation with colleagues in other local authorities shows this scheme has been very effective in controlling the misuse of sites by commercial customers. Adoption of a permit scheme in Angus for larger vehicles (vans, pick-up trucks, towing trailers, minibuses and horseboxes) used for carrying non-commercial waste would ease pressure on staff as these vehicles would not be allowed on site unless they had either paid in advance, or were able to demonstrate that they held a valid permit.
- 3.11 Given the close working relationship that exists between Angus and Dundee City Council on waste management, it is recommended that Angus Council adopt a permit scheme that is closely aligned to the scheme recently introduced in Dundee. This would bring consistency and uniformity for customers and builds upon the strong partnership working that currently exists between the two Authorities.

Opening Hours

- 3.12 The opening hours implemented as a result of the motion agreed by Council in September 2017 led to considerable operational challenges in our centres and confusion for the public. Sites could not cope with the volume of traffic being experienced, resulting in severe congestion and long queues at sites which caused significant inconvenience to customers. In order to address these challenges, a decision was taken to extend the opening times at all sites by two hours, and this appears to have resolved many of the issues being experienced.

- 3.13 As a result of an amendment to report [357/17](#) which went to Angus Council on 19 October 2017, evening opening hours were introduced to all centres with the exception of Arbroath between the months of April and October. The impact of this change has been monitored by traffic counters at the centres, and this data shows that the volume of traffic using centres in the evening is lower than for equivalent periods during the day. It is accepted, however, that evening opening hours are welcomed by those members of the public unable to access centres during daytime opening hours, and it is therefore recommended that the seasonal evening opening is continued for a further 12 month period to allow additional monitoring and analysis to take place. The trial will now be extended to include Arbroath. A table showing the proposed opening hours at all centres and changes to container provision is shown in **Appendix 3**.

Health and Safety Control Measures

- 3.14 In October 2017, additional Health and Safety control measures were introduced within recycling centres to mitigate increased traffic congestion resulting as a direct consequence of a reduction to opening hours. These additional measures are outlined in Report [357/17](#), but included a complete ban on trailers at some centres, and a limit on trailer lengths at others. Also included was a complete ban on pedestrian access at all centres.
- 3.15 Should the proposals within this report be agreed then the extended opening hours and anticipated reduction in traffic at centres not accepting general waste will enable all restrictions on trailers to be reversed. There remains, however, a significant risk of interaction between vehicular traffic and pedestrians on site, and as such the ban on pedestrian access will continue.

4. FINANCIAL IMPLICATIONS

Background

- 4.1 Members are reminded that when the Council set its 2017/18 revenue budget it applied an ongoing (permanent) saving of £250,000 based on the policy changes approved through consideration of report 209/16. Subsequent decisions by the Council including the 12 month deferral approved by Council on 7 September 2017 have meant that the means by which that saving was to be delivered (a move to providing 3 recycling centres) have not been implemented. The additional costs of current recycling centre provision relative to the ongoing budget available have therefore been covered from one-off funding sources in 2017/18 and for part of 2018/19. No provision in the revenue budget for 2018/19 has been made to continue the current levels of recycling centre provision beyond 6 September 2018.
- 4.2 Members are also reminded of the significant increase of £2.9 million in the revenue budget for 2018/19 which had to be made in order to provide for the costs of the new residual waste contract (Report 60/18 to Angus Council on 15 February 2018 refers). This disposal route is fully compliant with the landfill ban from 2020 onwards but, as was outlined to members when this contract was considered, is significantly more expensive than previous methods of disposal including landfill. The total budget provision for residual waste disposal (including the uplift of £2.9 million referred to above) stands at £5.513 million and is one of the Council's largest areas of expenditure.

Financial Impact of Improved Recycling Rates at Centres

- 4.3 Disposal of residual waste (that proportion of waste which has not been recycled) incurs the highest costs of any legislatively compliant waste treatment option. For environmental and financial reasons it is therefore essential that residual waste is minimised and recycling maximised.
- 4.4 The financial viability of the proposed recycling centre model recommended in this report is wholly based on achieving a sizeable increase in the amount of waste that is captured for recycling at the centres. In simple terms increased recycling levels means less waste going for incineration which reduces the cost of that means of disposal compared to the existing budget provision. Projected savings in residual waste disposal costs can therefore more than offset the higher operating costs (compared to the current budget) of keeping all 7 recycling centres in Angus open. Achieving the necessary increase in recycling levels at the centres does however require a different model of service provision as outlined in this report. The model proposed in this report is anticipated to deliver higher levels of recycling through recycling centres than would be likely to be achieved from a 3 centre only model.

2018/19 & 2019/20 Revenue Budget Impact

- 4.5 The recommendations in this report propose a new model of service provision from 1 February 2019 so there will be 10 months of current provision and 2 months of new provision in financial year 2018/19. Based on the assumed improvement in recycling levels across the estate the anticipated impact on the Council's costs and revenue budget in 2018/19 and 2019/20 is as shown in Table 1 below. These estimated costs take in account the staffing and other changes proposed in this report.

Table 1 – Revenue Budget Implications

<u>Costs:</u>	<u>10 months Current Provision £000</u>	<u>2 months New Provision £000</u>	<u>Total for 2018/19 £000</u>	<u>Full Financial Year (2019/20) £000</u>
Centre Running Costs	583	124	706	757
Disposal Costs	1,781	291	2,072	1,693
Total Costs	2,364	415	2,778	2,450
<u>Less Funding Provision:</u>				
Existing Base Budget			2,570	2,570
One-off Funding			98	0
Funding Shortfall/(Excess)			110	(120)

- 4.6 The table shows that the recommendations in this report are expected to result in total recycling centre costs in 2018/19 of £2.778 million. After deducting the existing budget provision and £98,000 of one-off funding already agreed to support current recycling centre arrangements a funding shortfall of £0.110 million is anticipated. It is proposed to meet this one-off shortfall from uncommitted general fund balances in 2018/19 which at 31 March 2018 stood at £2.357m.
- 4.7 Assuming the targeted increase in the level of recycling can be achieved, Table 1 shows that in a full financial year a saving compared to existing budget provisions of £0.120 million can be achieved. In other words improved recycling levels will reduce the Council's costs to a sufficient extent as to cover the higher running costs of all 7 centres remaining open and potentially contribute towards the significant funding gap the Council has to bridge in 2019/20 (Report 263/18 Medium Term Budget Strategy 2019/20 to 2021/22 refers).

Capital Budget Implications

- 4.8 The Council's existing capital budget includes a project – Provision for Zero Waste Implementation of £1.022 million (net). That provision was made in the expectation of using it to part fund the costs of a new recycling centre to serve Forfar and Kirriemuir in line with the recommendations of report 209/16. The recommendations in this report if approved would render such a project unnecessary. It is however proposed to use some of this existing budget to meet the following capital costs associated with the proposals in this report:-
- Additional recycling provision at recycling centres in the form of additional containers/skips, etc. (estimated cost £21,000)
 - Proposed improvements to Forfar Recycling Centre. These are at an early stage of development and design but are estimated to cost £250,000.
 - Provision of ANPR and enhancement of CCTV equipment where required (estimated cost of £50,000)
- 4.9 After funding the above costs totalling £0.321 million the Provision for Zero Waste Implementation budget would reduce to £0.701 million and this amount could be reassigned to other priority capital projects or deleted from the capital programme altogether. Consideration of these matters will be given as part of the 2019/20 budget setting process.

Other considerations

- 4.10 The householder permit scheme is not expected to result in an increase in running costs and any additional administration of the scheme will be covered by existing staff resources. It is likely that this scheme will increase commercial waste income or reduce disposal volumes and costs as the current risk of abuse by commercial customers is reduced. The extent of this is however difficult to anticipate in advance and so hasn't been factored into the budget implications for the Council described above.

6 CONSULTATION

The Chief Executive, the Strategic Directors - Place and People, the Head of Finance and Legal and the Service Leader Legal & Democratic have been consulted in the preparation of this report.

NOTE: The background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) which were relied on to any material extent in preparing the above report are:

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List of Appendices:

- Appendix 1 – Revised Options Appraisal and SWOT Analysis
- Appendix 2 – Materials that will be accepted as recycling and examples of materials that will be considered general waste
- Appendix 3 – Proposed Opening Hours at Centres and changes to container provision.