

Scrutiny Committee – 13th August 2009

8. Bring Bank Provision

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Purpose of the Report

To outline the current provision of bring banks (local recycling sites) across the district and recommend options for future provision for Scrutiny discussion.

Action Required

- (1) Consider the savings target required from waste services (listed as Partnership Savings in the February budget report to Full Council); and
- (2) Consider the options and costings for future provision of the bring bank service;
- (3) Comment on the proposed recommendation to District Executive that SSDC aims to remove all bring banks once plastic and card are collected from the kerbside (Sort It+);
- (4) Comment on the proposed recommendation to District Executive that, from October 2009 and until such date when Sort It+ is introduced, 5 sites are maintained with plastic banks only.

Background

In the 2009/10 budget a savings target was identified for 'partnership savings' of £100,000. Waste services present the largest service provided by partnership working and this report details options that can achieve savings of that order.

Current Recycling Provision in South Somerset

The most significant recycling provision is the Sort-It! Kerbside recycling service. This provides a weekly collection of eight materials:

1. Glass
2. Cans
3. Aluminium foil
4. Car batteries
5. Food
6. Clothes
7. Shoes
8. Newspaper and magazines

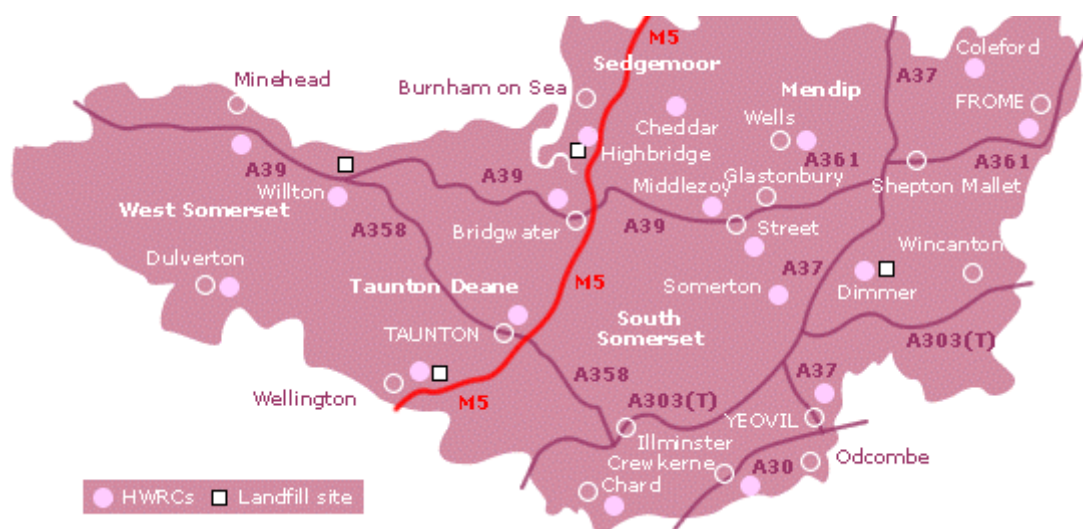
It is hoped that it will soon be financially viable for SSDC to introduce the Sort-It+ service, where plastic bottles and cardboard are added to the recycling materials above. Currently, Somerset Waste Partnership is working on the business case on our behalf and will present a verbal progress report at this Scrutiny meeting.

Bring banks are a service provided to residents in market towns, providing a local site for drop off of recycling materials. Recently, they have been subject to rising concern due to increasing costs and significant anti-social behaviour and fly-tipping. The service is provided by a number of contractors, which adds complexity to the management. In addition, some recycling banks at these sites are independent of the SSDC/SWP services. These include charity banks for textiles, clothes and books etc.

Table One - current provision of bring banks and the material collected

Town	Location	What is collected?	
Castle Cary	Millbrook Car Park	Paper Glass Cans	Textiles Plastic bottles
Chard	Essex Close Car Park	Paper Glass Cans	Plastic bottles Textiles
Chard	Tesco's Superstore Car Park		Books Plastic bottles Textiles
Ilchester	Limington Road	Paper Glass Cans	Plastic bottles Textiles
Iminster	Shudrick Lane Car Park		Plastic bottles
Iminster	West Street Car Park	Paper Glass Cans	Textiles
Langport	Tesco's Car Park	Paper Glass Cans	Plastic bottles Textiles
Martock	Martock Waste Paper, trading estate. <i>All but plastic banks are privately provided</i>	Glass Paper	Textiles Plastic bottles
Wincanton	Memorial Hall Car Park	Paper Glass Cans	Textiles Plastic bottles
Wincanton	Morrisons Superstore	Paper Glass Cans	Plastic bottles Textiles
Yeovil	Asda Superstore Car Park	Paper Glass Cans	Textiles Plastic bottles Books
Yeovil	Morrisons Superstore	Paper Glass Cans	Books Plastic bottles Textiles
Yeovil	South Street Car Park		Plastic bottles
Yeovil	Lyde Road		Plastic bottles

Notes: Lyde Road, Yeovil has recently been re-commissioned with a plastic bank only following a long period of anti-social behaviour and significant fly tipping problems. In addition to the current bring bank service there is a network of Household Waste Recycling Centres (HWRC), marked on the map below with a pink circle. Five exist in South Somerset. It is worth noting that Street and Taunton are also easily accessible to some communities in Area North and East.



Options for future bring bank provision

Four options are put to members for their consideration.

A summary of the four options is outlined below:-

1. Leave all bring banks in place. This provides no savings and costs are likely to escalate in future years.
2. Remove all bring banks. This provides an estimated saving of £189,156. £100,000 would comprise the 'Partnership Saving' and about £89,000 would be ring-fenced within the waste budget for future provision of Sort-It+.
3. Leave plastic bottle banks in all current sites. It is estimated that this would provide relatively modest savings (~£41k) with the possibility that costs are likely to escalate in future years.
4. Retain 5 plastic bring bank sites until Sort-It+ is introduced. This provides an estimated £115,656 saving which achieves the savings target identified.

The table below gives a breakdown of how these costs are estimated.

Option	Cost of services Based on 2009/10 service charges	Retained Recycling Credit	Estimated Saving £	Comment
1. Status Quo	£184,156	£47,260	None	Costs likely to escalate further in future years
2. Remove all Bring Banks	None	£5,000	£189,156	£5k recycling credit based on estimate of diversion into kerbside
3. Leave only plastic banks in current locations	£150601	£7,500	£41,055	Costs likely to increase further in future years
4. Retain 4 or 5 plastic banks	£74,500	£6,000	£115,656	Recycling income can only be proved in delivery phase

Option 1 Detail – Status Quo (ie maintaining current service level)

This option provides no savings and is therefore **not recommended** to members.

Risks associated with Option 1:

- Anti-social behaviour at these sites continues to be an issue.
- Contamination of bring bank material is higher than with kerbside recycle.
- Cleansing costs continue to escalate due to recycle being left alongside or hung on parts of the skip (residents willing to take their materials to the site but not willing to put it into the skip) and materials left alongside (residents fly-tipping bulky or residual waste alongside the recycling banks).
- Of the materials collected by SWP at these sites, all but plastic bottles are collected at kerbside. Therefore the bring sites mainly duplicate a better service already provided to every resident.

SSDC BRING SITE OPTION 1 : Based on estimates for 2009/10		
Material	Contractor	Cost (£)
Glass and cans*	MayG	33,556.00
Paper	Perrys	0
Plastic bottles	Veolia	77,070.00
Plastic processing	Viridor	12,000.00
Cleansing costs	MayG	61,530.00
Costs of services		184,156.00
Recycling credits		-47,260.00
Total net costs		136,896.00

* NOTE. May Gurney increased their price for servicing all the glass and can banks on the existing sites from 1.4.09. May Gurney use the old SSDC leased skip vehicle to provide the service but this now requires replacement. This will possibly result in a further increase in collection costs and a requirement for new collection containers.

Option 2 Detail : Removing all the bring sites

This option provides considerable savings of up to £189k and reduces the risk of further uplift in collection costs and is **recommended as the long term solution once Sort-It+ is introduced**.

This option provides the required saving and potentially allows up to £82,000 to be ring-fenced for the Sort-It+ collections.

Risks associated with Option 2:

- Resident dissatisfaction over lack of plastic recycling.
- Short term resident dissatisfaction over perceived drop in service for those materials already collected at kerbside.
- Some residents will not have easy access to HWRC's for plastic bottles, although these residents already have to travel to HWRC's for items including batteries, cardboard, drink/liquid cartons, electrical appliances, engine oil, fluorescent tubes and low energy bulbs, fridges/freezers, garden waste, hardcore, hazardous household waste (paint, garden chemicals), mobile phones, scrap metal, spectacles, toner cartridges and wood.
- Risk that maximum savings projected will be not be achieved due to the negotiations required with Veolia and MayG.

- Risk that retained recycling credit income of £5k is overstated
- May Gurney do not provide the glass and can collections from SSDC bring sites under the terms of the SWP waste and recycling collection contract. However, the driver of the SSDC leased skip vehicle was transferred to May Gurney at the commencement of the contract. If the bring sites are withdrawn the driver will re-TUPE and SSDC may incur redundancy costs if suitable alternative employment can't be found.
- It is generally the case that removal of bring banks eliminates the need to clean the sites. In these circumstances the May Gurney operative currently deployed for site cleansing would re-TUPE and SSDC may incur redundancy costs if suitable alternative employment can't be found.

SSDC BRING SITE OPTION 2 : Based on estimates for 2009/10

Material	Contractor	Saving (£)
Glass and cans *	MayG	33,556.00
Paper	Perrys	
Plastic bottles **	Veolia	77,070.00
Plastic processing	Viridor	12,000.00
Cleansing costs	MayG	61,530.00
Savings on services		184,156.00
Estimated credit income retained through transfer of recycling to kerbside but no credit for plastics or for some lost material		+5,000.00
Total savings		189,156.00

* *There is a contractual commitment with MayG who have correctly apportioned some of their overheads against the bring bank service. It is likely that these will be reapportioned to the remaining service areas within the kerbside contract if bring banks are removed.*

** *Option 2 is dependent upon SWP being able to transfer the plastic bottle capacity freed up by removing SSDC sites into the other SWP districts (who face the same financial pressures as us) or, alternatively, Veolia being able to find other work for their Rear End Loader (REL).*

Option 3 Detail : Retaining only the plastic bottle banks on the existing sites

This option refers to the provision of plastic bottle banks at each of the existing sites. This option is not recommended to members as it provides only modest savings.

SSDC BRING SITE OPTION 3 : Based on estimates for 2009/10		
Material	Contractor	Cost (£)
Plastic bottles	Veolia	77,070.00
Plastic processing	Viridor	12,000.00
Cleansing costs	MayG	61,531.00
Cost of services		150,601.00
Recycling credits income retained for plastic bottles and through transfer of recycling to kerbside		-7,500.00
Total net costs		143,101.00

Risks associated with this option:

- Resident dissatisfaction over perceived drop in service for those materials already collected at kerbside.

- Does not achieve savings target.
- Risk that retained recycling credit income of £7.5k is overstated
- May Gurney do not provide the glass and can collections from SSDC bring sites under the terms of the SWP waste and recycling collection contract. However, the driver of the SSDC leased skip vehicle was transferred to May Gurney at the commencement of the contract. If the bring sites are withdrawn the driver will re-TUPE and SSDC may incur redundancy costs if suitable alternative employment can't be found.

Option 4 Detail : Retaining 5 of the plastic bottles sites

This option provides a bring bank service for materials not collected at the kerbside in market towns that do not have an HWRC within a few miles of the centre. It provides a saving of up to £115,656 which reaches the savings target of £100,000. It is, **recommended that this option is pursued** as an interim measure in the period before this council can deliver Sort-It+.

This option provides plastic bottle collections in each of our market towns. This would be either at the HWRC (Yeovil, Chard, Crewkerne, Somerton, Castle Cary/Dimmer) or at a plastic bottle bring bank site in the following suggested locations:

Town	Location
Ilminster	Shudrick Lane Car Park
Langport	Tesco's Car Park
Martock	Martock Waste Paper, trading estate
Wincanton	Morrisons Superstore or Memorial Hall Car Park
Yeovil	Asda or Morrisons or South Street Car Park or Lyde Road

The second site in Yeovil is currently uncertain as there has been significant anti-social behaviour at two of the four sites and lack of usage at another. Therefore, it could be that the best solution is to have 4 banks at Ilminster, Langport, Martock and Wincanton. Scrutiny's comments are welcomed.

SSDC BRING SITE OPTION 4 : Based on estimates for 2009/10		
Material	Contractor	Cost (£)
Plastic bottles *	Veolia	38,500.00 Cost is subject to negotiation with Veolia
Plastic processing	Viridor	6,000.00
Cleansing costs **	MayG	30,000.00
Cost of services		74,500.00
Recycling credit income retained for plastic bottles and through transfer of recycling to kerbside		- 6,000.00
Total net costs		68,500.00

* Option 4 is dependent upon SWP being able to transfer the plastic bottle capacity freed up by removing SSDC sites into the other SWP districts (or, alternatively, Veolia being able to find other work for their Rear End Loader (REL)).

** There will be a cleansing cost associated with the limited plastics service in Option 4. This will be more economically delivered in-house, therefore the operative currently providing the service will be reTUPE'd) and added to the

streetscene budget. However, should the bring banks be removed at a later date, SSDC would be liable for redundancy costs

Risks associated with this option:

- Anti-social behaviour at these sites continues to be an issue.
- Cleansing costs continue to escalate due to recycle being left alongside or hung on parts of the skip and flytipping.
- Similar public dissatisfaction to Option 2.
- Reduced risk (from Option 2) of plastic bottle capacity not being transferred to other districts. Although districts would benefit from additional capacity and service frequency it would also mean them paying a higher proportion of the service charge. This presents a risk because of the similar financial pressures in the other districts.
- Risk that retained recycling credit income of £6k is overstated (it can only be estimated).
- May Gurney do not provide the glass and can collections from SSDC bring sites under the terms of the SWP waste and recycling collection contract. However, the driver of the SSDC leased skip vehicle was transferred to May Gurney at the commencement of the contract. If the bring sites are withdrawn the driver will re-TUPE and SSDC may incur redundancy costs if suitable alternative employment can't be found.

Summary

Scrutiny members are invited to comment on the merits of the options. In particular, to the pros and cons of options 2 and 4.

Financial Implications

As outlined in the report.

Background Papers: *District Executive: Bring Bank Review, September 2007*
