

STROUD DISTRICT COUNCIL
ENVIRONMENT COMMITTEE

**AGENDA
ITEM NO**

29 JUNE 2017

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Report Title	RECYCLING BANK SERVICE
Purpose of Report	To seek approval for the withdrawal of the council's recycling bank service as part of a number of Multi Service Contract efficiency measures.
Decision(s)	The Committee RECOMMENDS to Strategy and Resources Committee the immediate withdrawal of the Council's recycling bank service.
Financial Implications and Risk Assessment	<p>The report sets out a change to the service offered around Multi-Bank recycling and will reduce the costs of service provision as set out in the report.</p> <p>Members will recall that additional budget of £400k was approved by Council in February 2017 due to the anticipated overspend on the Multi-Services contract. This change will contribute to the overall savings and efficiencies on the Ubico contract that are being agreed during the year.</p> <p>David Stanley – Accountancy Manager Tel: 01453 754100 Email: david.stanley@stroud.gov.uk</p> <p>Risk Whilst the council may experience a loss of recycling material as a result of withdrawing the recycling bank service, this has been factored into the calculations. All residents are currently provided with a kerbside recycling service and therefore should not require the use of recycling banks</p>
Legal Implications	<p>Legal advice has been provided to the client officer on the proposed withdrawal of the service. (Ref:d15/06rc08/06) Karen Trickey, Legal Services Manager Tel: 01453 754369 Email: karen.trickey@stroud.gov.uk</p>
Report Author	<p>Carlos Novoth – Public Space Manager Tel: 01453 754406 Email: carlos.novoth@stroud.gov.uk</p>
Options	Maintain the current service at unnecessary cost to the council. This would be a duplication of the service currently offered at resident's doorsteps.

Performance Management Follow Up	Withdrawal of the service will be undertaken with prior notice given to relevant parish councils and Ward Members. Measures will be taken to prevent flytipping at locations vacated by the recycling banks. The situation will be monitored for the short term.
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1. INTRODUCTION / BACKGROUND

- 1.1 The recycling bank service is currently provided within the council's new Multi Service Contract performed by Ubico Ltd. Service costs for the whole contract, exceeded the council's allocated budget by £275k in 2016/17 and is forecast to exceed the 2017/18 budget by £450k unless cost saving measures are implemented.
- 1.2 Prior to 1995, the recycling bank service was the only means of recycling within the district. As the kerbside recycling service has expanded, the bank service has reduced from 76 sites to 2 (Cainscross and Cam) and now represents only 1% of the council's recycling rate; the annual cost of maintaining the current service is £68,142.

2. ISSUES FOR CONSIDERATION

- 2.1 Whilst the recycling bank service continues to be used, it currently replicates the materials collected through the kerbside recycling service. This represents an unnecessary duplication of costs (this does not of course refer to materials such as Textiles, Books and DVDs).
- 2.2 There have also been a number of issues that have negatively impacted the service; these include their illegal use by local businesses and their use by residents as fly-tipping hotspots. General misuse of the facilities has also resulted in service costs and loss of revenue through contamination.
- 2.3 Table 1 below identifies the estimated cost savings to the council of withdrawing the service. The savings in-year total £17,945 provided the service is withdrawn by mid August 2017 and £59,542 in each subsequent year.

	Operational savings	Estimated loss of income	Current Asset value of banks	Estimated resale value of banks	Net Annual Savings
1 st Year (part year)	£34,071	£8,600	£10,526	£3,000	£17,945
Subsequent years	£68,142	£8,600	£0	£0	£59,542

3. CONCLUSION

- 3.1 The council has a fully integrated suite of kerbside waste and recycling services that has incentivised maximum resident participation and material capture rates. The recycling bank service provides a duplication of services at unnecessary additional cost and is now considered an outdated method of recycling.

4. RECOMMENDATION

- 4.1 Members are asked to recommend to Strategy and Resources Committee the withdrawal of the council's recycling bank service with immediate effect.