



East
Northamptonshire
Council

Policy and Resources Committee – 12 September 2011

Oundle Recycling Centre

Purpose of report: This report updates members on the discussions that have taken place in respect of the future operation of the Oundle Recycling Centre following the original decision to cease the manned arrangements at the facility and the subsequent call in of the decision by the Scrutiny Committee.

Attachments:

Appendix A – Oundle Recycling Centre options

Appendix B – Possible additional solutions for green waste and trade waste

1.0 Background

- 1.1 On 9 June 2011 the Policy and Resources Committee resolved:
1. That the current manned recycling facility at Oundle Recycling Centre cease at the end of the current waste collection and recycling service on 31 July 2011.
 2. That arrangements be made to enable recycling to continue on the site in the form of a range of recycling banks
- 1.2 The decision was called in and considered by the Scrutiny Committee on 29 June. The Scrutiny Committee resolved:
“That the Policy and Resources Committee be asked to reconsider its decision on the Oundle Recycling Centre and delay the start date for the removal of the manned element of the site until after the Policy and Resources Committee on 12 September 2011.”
- 1.3 Policy and Resources Committee on 4 July subsequently resolved:
“That the start date for the removal of the manned element of the Oundle Recycling Centre be delayed until after the meeting on 12 September, where it is expected that this matter will be resolved.”
The reason given was that this delay to the change would recognise the depth of feeling within the Scrutiny Committee and the community on this issue and allow discussions between officers, Oundle Town Council and members of the Scrutiny Committee to continue, along with investigation of alternative options, with an update brought to the Policy and Resources Committee on 12 September 2011.

2.0 Discussions with Oundle Town Council

- 2.1 Discussions have taken place between officers and Councillor Mark Ormrod, representing Oundle Town Council. These discussions have concentrated largely on whether Oundle Town Council would be in a position to work in partnership with the district council to ensure that the Oundle Recycling Centre could remain functional along similar lines to that in place now.

3.0 Oundle Recycling Centre options

- 3.1 Having considered the costs involved, Oundle Town Council has put forward proposals for consideration based on the site remaining open and fully operational 4 days a week. The three options proposed and their financial consequences, along with the ‘base case’ option following on from this committee’s decision on 4 July, are set out below and summarised in appendix A. The other key factors underpinning these proposals are:

- The completion, by Oundle Town Council, of a feasibility study and market testing to examine the long term viability of the facility.
 - Recovery of some costs through a subscription-based permit system (to be administered by Oundle Town Council)
 - The securing of Kier Street Services ('Kier') as an 'anchor' tenant to offset the operational costs of the site
 - A continued subsidy by East Northamptonshire Council, albeit at much lower cost than we currently incur to run the site.
- 3.2 Option 1 reflects the original decision of the committee to cease manned arrangements for the facility. In addition, we would let it out to Kier to use the site for 'bulking' purposes. This option would realise the council a net income of approximately £9,000 per annum.
- 3.3 Option 2 involves the facility continuing to operate as now with Kier as an 'anchor tenant' contributing to the operating costs. The net cost to the council of this option would be £40,000 per annum. This is a significant reduction on the running costs of the site prior to the new contract coming into force on 1 August 2011 because of the additional contribution from Kier for 'bulking'.
- 3.4 Options 3 and 4 would involve East Northamptonshire Council (ENC) operating the site, with Kier as the 'anchor tenant' in place and with Oundle Town Council (OTC) making a contribution to the operating cost. The intention would be for the facility to operate 4 days a week, as now, and for a fee-based permit system to be introduced.
- Option 3 would see OTC carry out a feasibility study and market testing between now and 1 April 2012 with a view to being partners with ENC in operating the site. They would then look to enter into a 12 month agreement under which they would make a contribution to the running costs. The net cost to ENC through to April 2012 would be in the region of £24,000 and, based on figures put forward by OTC, £13,000 a year thereafter.
 - Option 4 would also see OTC contribute toward the operating costs for the site, but with a shorter lead in time, commencing November 2011. They would then seek an arrangement for 12 months. The net cost to ENC through to November 2011 would be £7,000 and, based on figures put forward by OTC, £19,000 a year thereafter.
- 3.5 The net costs of options 3 and 4 in the period to April 2012 / November 2011 could be reduced / avoided if Members decide to 'mothball' the facility until such time as OTC has completed their feasibility study and market testing or their preparations for introducing a permit scheme.
- 3.6 With both options 3 and 4 Oundle Town Council would like to have an option to purchase the site at market value at the end of the 12 month operating period.

4.0 Additional solutions for green waste and trade waste

- 4.1 It is accepted that with the roll out of the new waste and recycling collection arrangements the main issue for communities in the north of the district remains the disposal of garden waste. Whilst the preferred option for the council would be for residents to utilise the green waste club scheme, the concerns of residents over the disposal of garden waste remain. This is reflected in the range of alternative solutions set out in appendix B, which members may wish to introduce either in addition to any arrangements involving the Oundle Recycling Centre or as an alternative to its continued operation.
- 4.2 For households the potential solutions are based on either incentivising people to sign up to the Green Waste Club or provision of a service for those infrequent occasions when a significant amount of garden waste needs to be removed. If members are minded to progress these ideas this could be taken forward by the Waste & Recycling Working Party.

- 4.3 A matter that has been of concern to the council for some time has been the amount of trade / commercially-generated waste that has been passing through the Oundle facility. Whatever solutions are adopted it will be important to ensure that commercially generated waste is appropriately disposed of. Appendix B identifies some ways in which the council could develop services to support businesses across the district and, as with the householder-focused suggestions, this could be something that the Waste & Recycling Working Party takes forward.

5.0 Important issues to consider

- 5.1 While the discussions with Oundle Town Council have been ongoing, officers have also obtained a valuation of the site should members wish to consider the option of closing the site and selling it, or renting it out. For illustration purposes the site has a current market value of £185,000 and recommended market rental value of £17,500 a year.
- 5.2 Discussions have also taken place with Kier with a view to providing them with a base in the north of the district from which to operate a small scale 'bulking of recyclables' facility, which would provide financial benefit to the council over the life of the contract. The value of the arrangement to the council could be up to £18,000 a year in revenue, which is in line with the rental value of the site.
- 5.3 The Green Waste Club has been supported in previous years by the council utilising recycling credits to offset the costs of the delivery of containers. This arrangement ended on 31 July and may be something that members may wish to reconsider re-instating.
- 5.4 The operation of the Green Waste Club will transfer to Kier in April 2012.

6.0 Equality and diversity implications

- 6.1 No equality and diversity implications were identified as a result of an initial equalities impact assessment undertaken as part of the procurement project.

7.0 Legal implications

- 7.1 While East Northamptonshire Council has a statutory duty to collect household waste under Section 45 of the Environmental Protection Act, there is no statutory duty on collection authorities to provide household waste recycling centres.
- 7.2 Members should bear in mind that, in the exercise of a local authority's functions, it needs to consider whether or not local representatives should be involved. Section 3A of the Local Government Act 1999 imposes this duty. It states that, if it is deemed appropriate, after taking into account the circumstances, to have public involvement on a decision, then this involvement can take the form of either the provision of information, or consultation, or engagement in some other way. Therefore, members will need, in making a decision in regard to this report, to consider whether or not public involvement is necessary, and if so, in what form it should take.

8.0 Risk management

- 6.1 The main risk is the loss of reputation by the council in that the withdrawal of the green waste depository may affect some households, particularly those that do not subscribe to the Green Waste Club, some with large gardens who feel that the club does not meet their needs, and some traders (gardening and landscaping) operating in that area.
- 8.2 The options and cost implications outlined in section 3 are dependent upon the throughput of recycle at the site. If tonnages decrease there will be an additional

financial burden to absorb with options 2, 3 and 4.

9.0 Financial implications

9.1 The financial implications of the various options are set out in sections 3 and 4 above and in appendices A and B.

10.0 Consultation

10.1 This paper and its content have not been subject to any consultation with communities in the north of the district, with the exception of the representative from Oundle Town Council due to the timescales between the meetings with Oundle Town Council and this meeting. Members may wish to take this into consideration and will recall the criticisms aimed the Council before and after the original Policy & Resources Committee decision relating to a perceived lack of consultation with communities affected by the decision.

11.0 Recommendations

- 11.1 a) Members are requested to indicate which of the options set out in appendix A they wish to progress, and also to indicate from which date they would wish these arrangements to commence.
- b) Members are also requested to indicate which, if any, of the alternative solutions for dealing with green waste and trade waste set out in appendix B they wish officers, through the Waste & Recycling Working Party, to pursue.

Legal	Power: Local Government Act 1972				
	Other considerations:				
Background Papers:					
Person Originating Report: Mike Deacon, Head of Environmental Services, 01832 742060					
Date: 17 August 2011					
CFO		MO		CX	

(Committee Report Normal Rev. 22)

Appendix A

Option	Description	Start date	Annual cost implications
1	Remove the manned element from the site and allow Kier to operate a bulking facility from the site	Immediately	Net income of £9,000
2	Site remains open as now with anchor tenant for 'bulking' secured	Immediately	£40,000
3	Site opens 4 days a week <ul style="list-style-type: none"> Oundle Town Council permit scheme Anchor tenant for 'bulking' secured Oundle Town Council purchases site from East Northamptonshire Council 	April 2012	Costs to 31/3/12 - £24,000 (unless the site is mothballed) Annual costs thereafter - £13,000 (unless Oundle Town Council purchases the site)
4	Site opens 4 days a week <ul style="list-style-type: none"> Oundle Town Council permit scheme Anchor tenant for 'bulking' secured Oundle Town Council purchases site from East Northamptonshire Council 	November 2011	Costs to 31/10/11 - £7,000 (unless the site is mothballed) Annual costs thereafter - £19,000 (unless Oundle Town Council purchases the site)

Appendix B

Option	Description	Start date	Cost implications
	Bulky green waste collection - fee based arrangement along the same lines as the current bulky waste scheme	April 2012 (to coincide with change of contractor)	Fee set to recover costs
	Green Waste Club (incentives / subsidy) e.g. ENC pays for purchase or delivery of bin	April 2012 To be agreed by WRWP	£40,000 (capped)
(Businesses)	Framework agreement brokered with local composting depository facilities (Lowick / Deene)	September 2011	Nil
(Businesses)	Commercial Waste and Recycling Service - potential joint scheme with other North Northamptonshire Councils	January 2012	Potential revenue opportunity