

Environment Select Committee

5 December 2018



Shaping Surrey's Community Recycling Centres

Purpose of the report:

To provide an opportunity to comment on the proposed changes at Community Recycling Centres (CRCs).

Introduction:

1. As a result of rising demand for services particularly those supporting children, older people and our most vulnerable residents and a reducing government grant means the council needs to make some very difficult decisions about the way it delivers services. With this in mind the Environment Service has been asked to propose measures, which would reduce the annual costs of managing waste at its CRCs. A programme of cost saving initiatives at CRCs has been underway since 2015/16 which has so far delivered c £2.5m of savings.
2. It has been identified that a further £1m could be saved from the operation of the CRCs by introducing a number of service changes. The project associated with these changes forms part of the council's transformation programme.
3. This report will inform the committee about the legal background to the provision of the CRCs, provide facts around the current provision and describe the changes to the service that are being considered to make savings. The purpose of this will be to enable the Environment Select Committee to give feedback on the proposed changes.

Legal Obligations of the Waste Disposal Authority

4. Surrey County Council (SCC) as Waste Disposal Authority has a legal duty to dispose of waste collected by the Surrey district and borough councils. In addition SCC must also provide places for residents to dispose of their own household waste free of charge (CRCs). In 2017/18 Surrey residents produced 510,000 tonnes of waste. Approximately 81% of this waste was collected at the kerbside by district and borough councils and around 19% (96,000 Tonnes) was collected at the CRCs.
5. District and borough councils also operate kerbside collections for recyclable materials and these are supported by 'recycling credit' payments made by SCC. These payments reflect the avoided disposal cost. In 2017/18 SCC negotiated changes to the recycling credit system which will result in a £4 million annual reduction in recycling credit

payments to district and borough councils by 2020/21. The new arrangements were agreed by Cabinet in November 2017. Disposal of residual waste collected by district and borough councils is SCC's responsibility.

6. The scope for savings with regard to the 81% of waste collected at the kerbside is limited to securing better deals for the disposal of residual waste, and working with district and borough councils to reduce waste arisings, increase recycling and negotiating changes to the recycling credit payment system.
7. In contrast SCC has much more discretion in the level of service that has to be provided at the CRCs. The key elements of this obligation are set out as follows:

Legal Requirement	Comments
To provide a place or places.	The number of facilities is not prescribed.
They must be provided for <i>person's resident</i> within the county.	There is no requirement to provide any free facilities for residents who live outside Surrey.
They must accept residents' own household waste free of charge.	There is no requirement to accept any waste other than a residents own household waste free of charge. A number of wastes already accepted for free are not house hold waste.
They must be reasonably accessible.	There is no definition of what is reasonably accessible, both with respect to distance travelled and vehicle type accepted.
They must be available at all reasonable times including during at least one Saturday or Sunday per week.	There is no definition of reasonable times other than the availability for a period on a Saturday or Sunday.

8. It's worth noting that in 2015 the Department of Communities and Local Government (DCLG) introduced legislation to prevent further authorities from charging entrance fees at CRCs. A number of authorities had already implemented or were planning to implement this in order to avoid site closures. This ruling lies separate from the ability to charge for non-household waste which legislation allows.
9. The government is in the final stages of completing its resources and waste strategy with it now due to be published before Christmas. It's unclear what impact, if any, the strategy will have on how waste disposal authorities continue to provide recycling centres. However, we understand there will be a reform to the package recovery note scheme, which may help council's in the consideration with what they do with waste. The council will await the publication of the new strategy with interest, and will factor this into its longer term plan.

The Current Service

10. SCC provides 15 CRCs across the county. The amount of material that they handle has reduced significantly since the introduction of the first substantial changes to the service in April 2016. In 2015/16 the CRCs handled 140,656 tonnes. However this year (2018/19) we are projecting an estimated throughput of 86,000 tonnes of waste and recycling. At the same time there has been no overall increase in the volume of material collected at the kerbside or by district and borough councils as fly-tipping.
11. The changes to the service that have been implemented to date are set out below:

Table 1: Changes made at CRCs since 2015/16.

Date	Details of Change
1 April 2016	Reduced opening hours, so that all sites open 8am to 4pm weekdays and 9am to 4pm at weekends all year round (The CRC at Shepperton has had its hours extended during the summer service as a result of the Eco Park construction)
1 April 2016	Closed Dorking, Caterham, Cranleigh, Farnham and Warlingham CRCs one extra day per week.
1 April 2016	Removed rubble containers from the sites located at Bagshot, Caterham, Cranleigh, Dorking, Farnham and Warlingham ahead of the introduction of charging.
1 April 2016	Introduced a new van permit scheme with an annual 12 visit allowance and extended Surrey Resident scheme to additional sites.
1 Sept 2016	Introduction of charges for rubble, soil, plasterboard and tyres with 1 bag free daily allowance for rubble, soil & plasterboard
April/May 2017	Revive reuse shops opened at Earlswood, Witley and Woking CRCs. (A reuse shop was already in place at Leatherhead CRC on a trial basis, but this was extended to a permanent operation).
4 Dec 2017	Removed free daily allowance for rubble soil and plasterboard and extended Surrey resident scheme to the CRC at Camberley (The Surrey resident scheme was already in operation at Caterham, Epsom, Shepperton and Warlingham CRCs)
8 Jan 2018	Stopped vans trailers and pickups from using the CRCs at Bagshot, Caterham, Cranleigh, Dorking, Farnham and Warlingham.
8 Jan 2018	Retained a strategic network of 4 sites that would remain open 7 days a week (Earlswood, Shepperton, Witley and Woking) and reduced opening hours at most other sites: <ul style="list-style-type: none"> • Caterham, Leatherhead, and Camberley - open 6 days per week

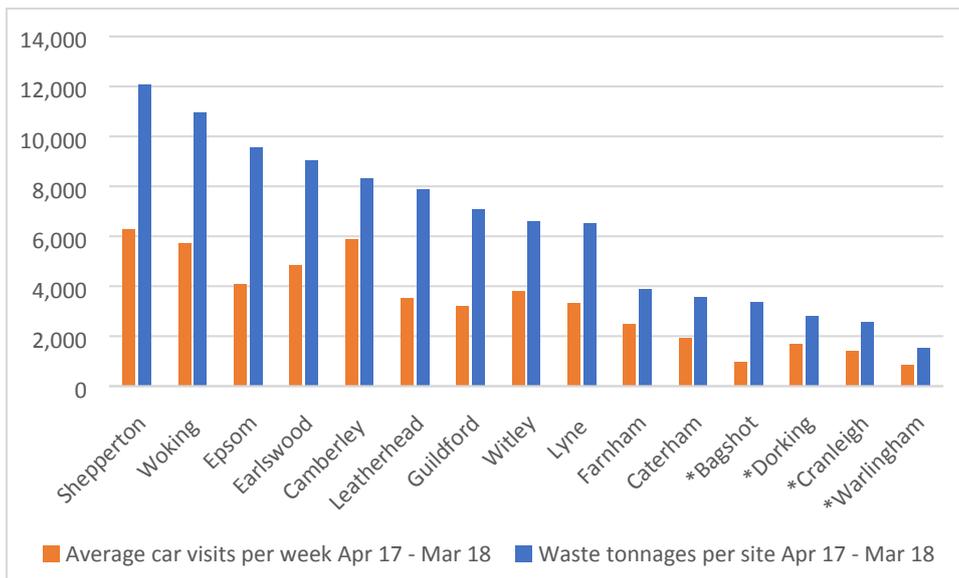
	<ul style="list-style-type: none"> • Epsom, Chertsey, Guildford, Farnham – open 5 days per week • Bagshot – open 4 days per week • Warlingham, Dorking, Cranleigh – open 3 days per week
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12. In 2017/18, 59% of the materials collected at the CRCs were recycled, composted or reused, 32% of materials were sent to energy recovery plants and 9% of materials were landfilled.

Customer Satisfaction and site usage

13. The CRCs are very popular with residents and attracted an estimated 2.5 million visits in 2017/18. The quarterly resident surveys undertaken by a research company on behalf of SCC still show that the CRC’s are one of the highest rated services that SCC provides, with 69.8% of respondents stating that they are either satisfied or very satisfied with the service. (Last measure taken April 2018 – June 2018)
14. The graph below shows tonnages and visit numbers to CRCs in 2017/18. It should be noted that additional day closures were implemented in January 2018 and the impact of these day closures will be reflected in lower tonnages and visitor numbers in the last quarter of 2017/18

Figure 1 – Site tonnages and visitor numbers 2017/18



Potential for further savings at Surrey’s CRCs

15. Officers have identified a number of further service changes which could be implemented to reduce costs. These proposed changes are set out below. Some of these proposed changes have no effect on the delivery of the service to residents, and can be implemented without a public consultation. Others have the potential to effect the service offered to residents, and therefore require a public consultation to understand their views and potential impacts to help inform the decision making process.

16. A public consultation on these proposals commenced on 30 October 2018 as part of SCC's countywide transformation programme, and will run until 4 January 2019.
17. Residents and stakeholders can take part in the consultation by completing a questionnaire (online or paper) or by submitting their feedback to the project team (email or letter).
18. The public consultation is being promoted via direct email communication, online, via social media, in magazines and other publications, at CRC sites, libraries and council offices, and at stakeholder meetings and drop in sessions.
19. As of 22 November the council has received 6,120 responses to the questionnaire, 10 emails, and is aware of 2 petitions concerning the closure of the CRCs in Cranleigh and Lyne. The rate of responses received so far is similar to the previous consultation held in the summer of 2017, which received a total of 13,637 responses.
20. One of the proposals in the Summer 2017 consultation was to permanently close four CRCs. Respondents to this consultation in particular highlighted that any reduction to a CRC service especially permanently closing CRCs could have a negative impact on recycling, increase journey times to the nearest alternative CRCs, increase traffic/congestion and have a negative impact on the environment including an increase in fly-tipping.

<p>Changes which can be implemented without public consultation</p>
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21. The following changes require no public consultation and will be implemented provided they prove cost effective.

a) Recovery of more recyclable materials from black bag waste.

For the past few years, our contractor, Suez has stationed staff at the residual waste bins on the CRCs to intercept black bin bags brought in by residents. These bags are then split open to recover any recyclable materials which can then be placed in the appropriate container. By diverting these materials from disposal, the council has reduced its costs by around £0.5m per year.

Composition analysis has shown that around 30% of the material delivered to the CRCs in black bags is recyclable, but not all of this material is currently captured. Officers are currently investigating the cost effectiveness of trailing mechanical sorting as a means of increasing capture. This process would be undertaken away from public areas of the sites.

b) Selling Advertising Space at CRCs

Officers are investigating whether there is any potential to generate income from business advertising at the CRCs. Other local authorities

who do this at their recycling centres have told us that they generate very limited income from this.

c) Open a further reuse shop at Shepperton CRC

It is proposed to open a further reuse shop at Shepperton CRC during 2019. Suez with SCC are also exploring other ways where it can generate further income through the reuse initiative, for example working with prisons to refurbish bicycles and selling high value items online.

d) Increase income from trade waste activities

Officers are working with Suez to investigate ways to increase the amount of trade waste handled through the waste transfer stations and to generate more income from this activity.

Changes which require public consultation prior to implementation

22. The following proposed changes, if implemented, would affect the delivery of the service to residents and therefore require a public consultation.

a) Charging for construction wood and roofing felt

As described earlier in this paper, the legal obligation of the Waste Disposal Authority is to provide places where residents can dispose of their **household** waste free of charge. However not all waste that arises from a residents' home is classified as **household** waste. For example construction and demolition waste from households and waste arising from excavations are not defined as **household** waste.

A number of different wastes are classed as non-household. It is legal for local authorities to charge residents for the disposal of these wastes and many Waste Disposal Authorities already charge for or restrict these types of wastes.

SCC already charges for non-household waste comprising rubble, soil, plasterboard and tyres as well any construction waste that is brought to sites in a van, trailer or pickup.

This proposal is to extend the existing charging scheme to include charges to residents for dealing with construction wood (materials such as sheds, fencing panels and posts, decking, and fitted kitchen units) and roofing felt. The charges for these items would be solely to cover the costs of dealing with these materials, including the administration of the charging system. The exact charge is still being worked up, but we believe it would be between £3 to £5 per bag or per item of construction wood and roofing felt.

b) Increasing charges for rubble, soil and plasterboard

The charges that were introduced in September 2016 have not been increased to reflect inflation in costs. The council is currently considering a price increase per bag and per item of charging scheme waste from £4 to £5 to cover the increased disposal costs. The current disposal costs of £12 per sheet of plasterboard, £5 per tyre or part tyre and £50 for loose loads of construction waste per car will remain unchanged.

c) Introduction of charges for van, trailer or pickup permits.

Any resident wishing to use a community recycling centre using a van, trailer or pickup must first apply to the council for a van and trailer permit. This allows residents to bring their household waste to one of our larger CRCs up to 12 times in any calendar year. Currently 23,000 live permits are registered to the system. A permit is currently free of charge. However it is proposed to introduce charges to cover the administration of this system. The exact charge is still being worked up but we believe it will be between £5 and £10 per year, to visit up to 12 times in that calendar year.

d) Permanent closure of smaller less well used CRCs

It can be seen from Figure 1 above that there is a significant variation in the use of CRCs. The consultation identifies the potential to close up to six of the fifteen CRCs. These sites are located at Bagshot Cranleigh, Dorking, Farnham, Lyne (Chertsey) and Warlingham. These sites are smaller, less well used and with the exception of the Lyne (Chertsey) site are undeveloped single level sites which require to be closed to the public when bins are exchanged. Between them, these six sites currently handle less than 18% of the total waste dealt with at the CRCs.

The consultation seeks the public's view on three potential options for closure.

- 1) Close the four smallest CRCs at Bagshot, Cranleigh, Dorking and Warlingham and re-open the nearest alternative CRCs at Leatherhead, Caterham and Camberley seven days per week.
- 2) Close all six CRCs listed above and reopen all remaining CRCs seven days per week. In addition we would increase the number of staff and/or invest in facilities and technology to serve customers efficiently at these.
- 3) Close all six CRCs listed above and open all remaining sites five days per week in the winter (Oct – Mar) and seven days per week in the Summer (April – Sept) with extended opening hours past 4pm into the evening during summer where demand exists and where planning permits. In addition we would increase the number of staff and/or invest in facilities and technology to serve customers efficiently at these.

Conclusions:

23. This paper sets out a series of proposals to reduce the cost of operating the community recycling centre service to meet the £1 million per year of required savings.

Recommendations:

24. The Environment Select Committee is requested to review the proposals being put forward and provide feedback to officers.

Next steps:

25. A report outlining the recommendations for change following the public consultation will be brought to Cabinet on 29 January 2019 for consideration.

Report contact: Richard Parkinson, Waste Operations Group Manager, Environment Service

Contact details: Tel 0208 541 9391/ richard.parkinson@surreycc.gov.uk

Sources/background papers:

- SCC Cabinet 27/11/2017 Changes to payments to district and borough councils for the recycled waste they collect.
- SCC Cabinet 26/09/2017 Consultation on proposed changes to Surrey's community recycling centres.
- SCC Cabinet 24/11/2015 Shaping Surrey's Community Recycling Centres.
- Environmental Protection Act 1990.
- Controlled Waste Regulations 2012.