

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE:</b>	Communities, Housing and Infrastructure
<b>DATE:</b>	20 January 2016
<b>DIRECTOR</b>	Pete Leonard
<b>TITLE OF REPORT:</b>	Virement of Funds to Waste and Recycling Bins Budget
<b>REPORT NUMBER:</b>	CHI/15/342
<b>CHECKLIST COMPLETED</b>	Yes

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### 1. PURPOSE OF REPORT

The purpose of this report is to seek the agreement of Committee to vire Communities, Housing and Infrastructure (CH&I) 2015/16 budgets to allow the Communal Mixed Recycling Project to proceed.

### 2. RECOMMENDATION(S)

It is recommended that the Committee:-

1. Agree to a budget virement of £680,000 from Building Standards Building Applications Fees budget to Waste and Recycling.

### 3. FINANCIAL IMPLICATIONS

The cost pressure from Waste was identified at 2015/16 budget setting this included the additional cost of co-mingled waste and the Directorate agreed to absorb the pressure from within other areas of CH&I.

The monies required to fund the first phases of the implementation of the communal mixed recycling project can be made available by increasing the Building Standards Building Applications Fees (V37260 93462) budget by an equivalent amount. The total value involved is £680,000 in 2015/16. Allocations for future years will be addressed through the 2016/17 budget management process.

### 4. OTHER IMPLICATIONS

The recommended transfer will enable works to continue to install communal waste containers. This work will be carried out by the Highways service who

have indicated that the workload required can be met from within existing business processes.

## **5. BACKGROUND/MAIN ISSUES**

- 5.1 The Zero Waste Management Sub-committee of 15 February 2012 agreed a recommendation that 'co-mingled recycling collection be the recommended method for managing recycling waste in Aberdeen'. Following this an Outline Business Case was undertaken that established the infrastructure requirements that enable the management of co-mingled recycling collections (Council meeting 10 October 2012). Following extensive negotiations and development of plans, the Council signed a contract with SITA Northeast Limited, its Waste Management Services Contractor on 17 November 2015. The contract will deliver the construction and operation of a Materials Recycling Facility in Aberdeen capable of processing co-mingled recycling. The Aberdeen City Waste Strategy adopted in May 2014, also commits the Council to 'introduce easy to use recycling services to all households by 2016'.
- 5.2 The Waste and Recycling Service has developed a Project Plan to implement new co-mingled (or mixed) recycling services to all households. The first stage of the implementation plan relates to the introduction mixed recycling in communal properties. Investment is required in 2015/16 to ensure that all; households receive the new service within the project timetable (end of 2016 for communal properties). As a result, additional funds (£680,000) are required to purchase and install recycling containers for phase 1 of the project and purchase of containers for Phase 2 to allow installation at the beginning of Financial Year 2016/17.
- 5.3 The proposed virement is possible as Building Standards Building Applications Fees (V37260 93462) have already significantly exceeded budget in 2015/16, due to the volume of applications lodged with the Council by the end of September 2015. As this service is included within the remit of the CH&I Directorate, it is proposed to offset the in-year cost pressure in the Waste service by matching it against the in-year additional income achieved by Building Standards.

## **6. IMPACT**

**Improving Customer Experience** – A key customer benefit of the proposed communal mixed recycling collection will be the ability to provide widespread and easy to use recycling services to all homes and businesses in Aberdeen. This will include an expansion of the range of materials recycled.

**Improving Staff Experience** – Developing the communal mixed recycling collection will allow a change in collection methods removing the need for substantial amounts of manual handling currently associated with kerbside

sort. In addition, there will be a reduction in the noise levels experienced by staff sorting glass bottles at kerbside

**Improving our use of Resources** – The introduction of the communal mixed recycling service will lead to a reduction in disposal costs as managing recycling waste costs less than landfill or EfW. There will be implementation costs in the next years including purchase and installation of new containers and the requirement for additional crews and vehicles for the new service

**Corporate** - This project links to the Smarter Environment theme of Aberdeen – the Smarter City vision and is a key outcome from the Aberdeen City Waste Strategy. The project enables the Council to comply with its statutory obligations to collect recycling from all households.

**Public** – The introduction of a significantly improved recycling service is likely to be of wide public interest across the multi-occupancy properties in the city, amounting to over 50,000 properties gaining an improved service in 2016.

## 7. **MANAGEMENT OF RISK**

7.1 A full risk register has been compiled for this project and is monitored on a regular basis by the Project Team and Project Board.

The main risks highlighted as part of this project are:

1. Insufficient resources in house to deliver the project
2. Funding for the project
3. Contamination of the recycling containers
4. Effective communication to ensure good participation levels

This report constitutes mitigation for item 2.

## 8. **BACKGROUND PAPERS**

None

## 9. **REPORT AUTHOR DETAILS**

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