

## **Item: 8**

**Development and Infrastructure Committee: 30 March 2021.**

**Household Waste Recycling Centres.**

**Report by Executive Director of Development and Infrastructure.**

### **1. Purpose of Report**

To review operation of the Household Waste Recycling Centres at Cursiter Quarry and St Margaret's Hope.

### **2. Recommendations**

The Committee is invited to note:

#### **2.1.**

That the Council operates five Household Waste Recycling Centres (HWRCs) across the Mainland of Orkney, which allow householders to deposit a range of recyclable materials, together with household waste.

#### **2.2.**

That the HWRCs are provided in accordance with the requirements of the Environmental Protection Act 1990 and licensed by the Scottish Environment Protection Agency (SEPA) under the Waste Management Licensing Regulations 1994.

#### **2.3.**

That SEPA licence conditions for the HWRCs stipulate they should have a member of staff on site during the hours of operation, but that Cursiter Quarry and St Margaret's Hope are unstaffed, resulting in a breach of licence in respect of these two unsupervised sites during normal operations.

#### **2.4.**

That, although ongoing discussion and negotiation with SEPA has enabled the sites at Cursiter Quarry and St Margaret's Hope to remain open, a sustainable, long-term solution to the issue is required.

#### **2.5.**

That there are insufficient resources within the Environmental Services budget to staff the HWRCs at Cursiter Quarry and St Margaret's Hope.

## **2.6.**

Options for the future operations at Cursiter Quarry and St Margaret's Hope, as outlined in section 4 of this report, with the preferred option being Option 2, namely, to close both sites, being the most efficient and only affordable option for the Council.

**It is recommended:**

## **2.7.**

That the Household Waste Recycling Centres at Cursiter Quarry and St Margaret's Hope be closed as soon as is practicable and no later than 31 March 2022.

## **2.8.**

That a project plan for this closure is developed, including engagement with relevant stakeholders.

# **3. Household Waste Recycling Centres**

## **3.1.**

The Council operates five Household Waste Recycling Centres (HWRCs) across the Mainland of Orkney. These are located at Garson (Stromness), Cursiter Quarry (Finstown), Hatston (Kirkwall), Bossack (Tankerness) and St Margaret's Hope. These sites allow householders to deposit a range of recyclable materials, together with household waste. The sites are provided in accordance with the requirements of the Environmental Protection Act 1990 and are licensed by the Scottish Environment Protection Agency (SEPA) under the Waste Management Licensing Regulations 1994.

## **3.2.**

Site licence conditions require them to be staffed by at least one member of staff when they are open to receive waste. This condition was added to the licence for St Margaret's Hope in 2008 and was in place from 2005 for the site at Cursiter Quarry. It has been an ongoing challenge to meet these conditions given the resource constraints and budget position in Environmental Services. Nevertheless, the Facilities Manager has sought to ensure the sites are serviced and SEPA kept informed on how each site is operating. It is noted however, this remains a risk and despite the reasonable stance taken by SEPA, these are technically non-compliant sites.

## **3.3.**

To address this non-compliance, there needs to be some level of supervision at each site or they would have to close to remove the risk to the Council of SEPA enforcement. The requirement for a permanent member of staff on site is to ensure that only the appropriate types of waste are deposited and that no hazardous waste is left which could cause environmental harm or pose a risk to public health. Over the years there have been a number of these incidents, in particular at St Margaret's

Hope, each time causing the site to be closed until appropriate remediation actions can be taken. If steps are not taken to address this risk, then there is a very real possibility that SEPA will take action at some point despite their reasonable stance to date. If so, that could result in the permanent closure of the site. In addition, if this arises intermittently it creates unplanned demands on the service when the site has to be closed and cleaned up, which does have an impact on other service provision.

### **3.4.**

It should be noted that, due to COVID-19 related restrictions, both sites are currently operating as recycling points only, and are not accepting residual waste. As a result, the licence condition requiring a member of staff on site is not in operation and so both sites are currently compliant, albeit only for the duration of the COVID-19 restrictions.

### **3.5.**

Despite clear communications to the public and on-site signage, both sites have been subject to ongoing abuse since they re-opened at the end of 2020. Immediately after re-opening both sites experienced a few large-scale depositions of household waste and bulky items. Following the initial publicity about this there have been no further significant events but there does continue to be ongoing deposition of incorrect waste. The Service has endeavoured to manage this situation and cleared the sites up without needing to close but this does, nevertheless, constitute an ongoing breach of licence conditions.

## **4. Options Appraisal**

### **4.1.**

Two options have been considered for future management and operation of the sites at Cursiter Quarry and St Margaret's Hope. Full details of these options, and their implications, are attached as Appendix 1 to this report, with a brief summary below.

#### **4.1.1. Option 1 – Full compliance with licence conditions**

This option would require additional resource to be added to the service, sufficient to meet the staffing requirements set out in the licence. This would require two full-time permanent posts and one seasonal post to be added to the Environmental Services Facilities Establishment, plus the installation of permanent welfare facilities at both sites. The estimated cost of this option is £146,000 in set-up costs for the facility at St Margaret's Hope and £27,000 in set-up costs for the facility at Cursiter Quarry, with an ongoing £2,000 per year per site in running costs and a further £1,500 per year per site for estimated maintenance. The additional staff would require a further £75,000 per year to be added to the revenue budget.

#### **4.1.2. Option 2 – Closure of both sites**

Should additional resource not be available to enable full compliance with licence conditions then it may be necessary to permanently close both sites. The implications of this are detailed in Appendix 1 to this report, where it is noted that cost savings associated with this option would be in the region of £32,000, to be

realised in the financial year in which the sites are closed. The closure of the St Margaret's Hope and Cursiter Quarry recycling centres were rejected as savings measures in the 2020/21 budget setting process and has since been further considered by the Senior Management Team when discussing potential savings options for the 2021/22 budget setting process. As a result of those discussions, the savings were not pursued through the budget setting process for 2021/22. However, following discussion of the separate issue of licence compliance, the Senior Management Team recommended that this issue be brought to Committee for resolution.

#### **4.2.**

Option 1 would require significant additional resource to be added to the Environmental Services Facilities Establishment, together with further initial and ongoing costs to ensure that appropriate facilities for staff can be provided on site. As noted, Environmental Services are already deeply pressurised and have recorded significant overspends against budget in the last three financial years. There is therefore no capacity in the budget to address this additional expenditure, which would have to be provided from elsewhere. No opportunities have been identified in the Development and Infrastructure budget and the Council recently reiterated its policy of presumption against new commitments.

#### **4.3.**

Option 2 is likely to cause real concern within the two local communities, particularly in St Margaret's Hope, where local residents have frequently expressed their need for a near-by facility. In addition, consideration would need to be given to ensuring sufficient capacity within both the kerbside collection service and at the remaining three HWRCs to which the waste would be diverted. Some mitigation measures, such as an increased focus on communication of waste reduction messages, and revised layouts of the remaining sites at Bossack, Hatston and Garson, would likely be required. It is also worth noting that the ongoing Integrated Waste Facility project, which is scheduled to reach Stage 2 of the Capital Project Appraisal process in 2021 does include a proposal for a HWRC which would be able to receive all waste from the five existing sites. This facility is unlikely to be operational prior to 2023, however.

#### **4.4.**

Other options for the site at St Margaret's Hope, such as transferring operation of the site to the local community or the use of local volunteers, in partnership with the Council, have been discussed with local members and with the local Community Council. To date, no viable solutions have been determined.

#### **4.5.**

Notwithstanding the above, Option 2, namely closure of the sites at Cursiter Quarry and St Margaret's Hope, is recommended as the most efficient and only affordable option for the Council in order to comply with statutory duties.

## **5. Human Resource Implications**

### **5.1.**

Should Option 1 be implemented, three additional posts will need to be created within the Environmental Services Facilities Establishment – two permanent site operative posts and one seasonal cover, for 6 months each year.

### **5.2.**

As the Council recently reiterated the policy of presumption against new commitments, Option 1 would require further, detailed consideration of how the Development and Infrastructure Committee could find the necessary resources from within existing budgets.

### **5.3.**

For information, the post of Waste Disposal Operative has an approved job description and person specification and is graded at G4, SCP 16 £21,359 to SCP20 £22,497, including Distant Islands Allowance.

## **6. Links to Council Plan**

### **6.1.**

The provision of HWRCs, including alternative disposal methods, supports and contributes to improved outcomes for communities as outlined in the Council Plan strategic priority theme of Enterprising Communities.

### **6.2.**

The proposals in this report relate directly to Priority 4.6 – Review and establish fresh approach for waste management – of the Council Delivery Plan.

## **7. Links to Local Outcomes Improvement Plan**

The provision of HWRCs, including alternative disposal methods, supports and contributes to improved outcomes for communities as outlined in the Local Outcomes Improvement Plan priority of Strong Communities.

## **8. Financial Implications**

### **8.1.**

The substantive report recommendation is to close the Household Waste Recycling Centres at St Margaret's Hope and Cursiter Quarry, with a subsequent efficiency saving of £32,000 being realised across the financial year 2021/22.

### **8.2.**

In contrast, it is notable however, that the report identifies a requirement of an additional £75,000 of recurring staff resources to be identified to retain these recycling centre facilities. In addition, there would be an initial cost of £173,000 for

the provision and set-up of welfare facilities on both sites plus a further £7,000 in annual running costs.

### **8.3.**

The rationale for this recommendation is the current non-compliance of the sites with their licence conditions. However, the ongoing budgetary pressures cannot be ignored. The budgetary pressures associated with the provision of the five Household Waste Recycling Sites can be summarised as follows:

	2017/18.	2018/19.	2019/20.
	£000's.		
Net Expenditure.	494.	496.	566.
Budget.	431.	473.	480.
Overspend/(Underspend).	63.	23.	86.

#### **8.3.1.**

The current financial year 2020/21 follows a similar trend with the net expenditure to the end of December 2020 of £406,264 representing an overspend of £39,737 ahead of the budget profiled level for that reporting period.

### **8.4.**

While noting that a large element of this budget can be attributed to a staffing component, on the basis that the Operational Environmental Service uses a costing system with holding accounts to recharge these costs indirectly across its functions based on job cards, no direct staff cost are currently charged to these establishments. As such, a dedicated staff resource is not included within the above budgets.

### **8.5.**

In giving due consideration to any ongoing service pressures, in accordance with the policy of presumption against new commitments, a requirement exists for the Service Committee to identify compensatory savings in the first instance. This requirement extends to the Development and Infrastructure Service as a whole.

## **9. Legal Aspects**

### **9.1.**

The Council must make arrangements to secure best value. This means the Council must ensure effective management of resources.

### **9.2.**

Under Section 33(6) of the Environmental Protection Act 1990, a person who contravenes any condition of a waste management licence commits an offence. This means that they may be liable to imprisonment and/or a fine. There is therefore

a clear risk to the Council if the sites continue to operate in contravention of their licence conditions.

### **9.3.**

The statutory obligation on the Council is to provide at least one place where residents are able to deposit their household waste and that this place should be reasonably accessible to residents. No definition is given of “reasonably” and this would ultimately be for a court to decide in the event of any challenge.

## **10. Contact Officers**

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## **11. Appendix**

Appendix 1: Options Appraisal.

## Appendix 1.

# Options Appraisal – Future operations of Cursiter Quarry and St. Margaret’s Hope Household Waste Recycling Centres

## 1. Current situation

### 1.1.

Orkney Islands Council operates five Household Waste Recycling Centres (HWRCs) across the Mainland of Orkney. These are located at Hatston (Kirkwall), Garson (Stromness), Bossack (Tankerness), St Margaret’s Hope and Cursiter Quarry (Finstown). The site at Bossack also operates as a Waste Transfer site for the receipt and bulking of some materials and for the composting of garden waste. Prior to the service alterations imposed by COVID-19 all five accepted both household waste and a range of recyclable materials from households. Commercial waste or commercial recycling is not accepted at any site.

### 1.2.

The sites are licensed by SEPA under the Waste Management Licensing Regulations 1994 with each site licence stipulating the operational arrangements that should be in place in order to ensure the safe and legal acceptance and handling of any materials deposited.

### 1.3.

There are four full-time members of staff within the Waste Facilities Establishment assigned to the operation of the HWRCs. In addition, there are two seasonal posts within the Waste Facilities Establishment which are used to provide cover during the summer period.

### 1.4.

Two staff members are assigned to Bossack, due to the additional work there as a result of Waste Transfer activities, one is assigned to Hatston and one to Garson. This means that Cursiter Quarry and St Margaret’s Hope are unstaffed. Site supervision is currently provided through the means of daily checks as the gates are locked and unlocked, visual checks from drivers servicing the skips and intermittent site visits by either the Facilities Supervisor or the Facilities Manager.

### 1.5.

Site licence conditions require the sites at Cursiter Quarry and St Margaret’s Hope to have one member of staff on site at all times when the site is open to receive materials or when waste transfer activities are taking place. Both sites are therefore currently operating in contravention of their licence conditions. This has been the case at St Margaret’s Hope since licence conditions were changed in 2008, and at Cursiter Quarry since the site opened in 2005, noting that the original intention was for quarry staff to provide a certain level of scrutiny and oversight. The severe resource restrictions under which the waste service is operating has meant that it



has never been possible to add the necessary posts to the establishment. All existing staff members are fully utilised and to transfer one or more to the sites at St. Margaret's Hope or Cursiter Quarry would result in shortfalls elsewhere.

## **1.6.**

As there is no permanent staff presence at these sites, discussions with SEPA have been ongoing in order to ensure that a level of comfort can be provided with regards to safe operation of the sites and to mitigate against any risks caused by the deposition of hazardous or potentially polluting materials. As a result of these discussions the sites have been able to operate unstaffed to date. However, the situation is clearly not tenable, and this report therefore reviews some potential options for future operations.

## **2. Option Appraisal**

### **2.1. Option 1 – Additional resource**

#### **2.1.1.**

If Cursiter Quarry and St Margaret's Hope were to be staffed in accordance with the procedures at the similar sites at Hatston and Garson, this would require two additional full-time posts to the added the Waste Facilities establishment, one to be allocated to Cursiter Quarry and one for St Margaret's Hope. These posts would be at a G4 level and would therefore require a further £60k to be added to the staffing budget annually. Further, in order to ensure coverage during the summer period, an additional temporary post would be needed each year, at an additional £15k. This in effect means an additional £75k in staffing costs each year.

#### **2.1.2.**

Neither site is equipped with welfare facilities at the moment and so these would have to be provided for staff working on site. Costs for the installation of suitable permanent facilities are estimated below, noting that, as a minimum, secure sheltered accommodation with kitchen, toilet, emergency shower, drying facilities and office space would be required. These facilities would require water, sewerage, telephone, internet and power connections.

### **St. Margaret's Hope**

- Provision of permanent serviced building: £146,000
- Annual running costs for services £2,000
- Annual maintenance allowance £1,500

### **Cursiter Quarry**

- Conversion of existing building for shelter and paperwork £27,000 (Operatives will be able to make use of Quarry facilities for all other requirements at no additional cost)
- Annual running costs for services £2,000

- Annual maintenance allowance £1,500

There would therefore be an initial set-up cost and an annual running cost to be factored into the budget.

## **2.2. Option 2 – Site closure**

### **2.2.1.**

If the Council is unable to staff these sites in accordance with the licence conditions, then closure must be considered. The closure of the St, Margaret's Hope and Cursiter Quarry recycling centres were rejected as savings measures in the 2020/21 budget setting process. This fact was considered by the Council SMT when discussing potential savings options for the corporate 2021/22 budget setting process. The savings were therefore not pursued through the Corporate Budget setting process for 2021/22. However, following further consideration by the Senior Management Team of the issues regarding licence compliance, they recommended that closure be considered on these grounds.

### **2.2.2.**

Should the sites be closed then there would be a need to ensure that waste and recycling which is usually received through these routes has another outlet, either through the kerbside collection service or at another HWRC.

## **3. Risks and Issues**

### **3.1.**

The clear issue associated with Option 1 is the additional resource which is required in order to fund it. At a time when all budgets across the Council are under severe pressure, and when the waste budget has been overspent for the previous three years, the need for this extra money needs to be clearly defined and a substantive argument made. Given that there are three other HWRCs in Orkney at which both household waste and recyclable materials can be deposited and that there is a fortnightly kerbside collection service in place for all households, there are other, reasonable, opportunities for householders to dispose of their waste.

### **3.2.**

The Council is obliged to provide one place at which households can deposit domestic garden and excess household waste for free under the requirements of the Environmental Protection Act 1990 and so retaining three HWRCs would more than adequately cover that requirement.

### **3.3.**

There is a risk that the remaining HWRCs and/or the kerbside service may not have sufficient capacity to receive the waste which would be diverted from Cursiter Quarry and St Margaret's Hope. In 2019, 652 tonnes of waste in total were deposited at St Margaret's Hope, of which 306 tonnes were domestic waste. The equivalent volume received at the kerbside during April to November of that year from Area 8,

which covers the area from Burwick to just north of Holm was 102 tonnes. Therefore, if the waste was simply diverted to the kerbside it is likely that this could require re-planning of collection routes.

### **3.4.**

Keeping both sites open without addressing the need for staffing risks action from SEPA, including forced site closure through licence suspension or revocation and, potentially, financial penalties. It also demonstrates a lack of care on the part of the Council both towards site users and to the wider environment and cannot realistically be justified.

### **3.5.**

It is recognised that both sites provide a valuable resource for their local communities and this is appreciated by the Service. However, it must also be recognised that provision of HWRCs in the County is beyond that which is statutorily required and, should additional investment be available to the Service, there are other areas with a much greater need for this resource.

### **3.6.**

Given the clear value placed on the site at St Margaret's Hope by the local community, as evidenced during its closure in response to the COVID-19 pandemic, there may be an opportunity to investigate the possibility of a community transfer, and to enable the community to retain the site and take on responsibility for its operation.

## **4. Review of Options**

### **4.1.**

To date the service has been able to strike a balance between the safe operation of the sites and the presence of permanent on-site staff. As a result, and due to ongoing discussions with SEPA, no enforcement action has been taken to date with regards to the Council's non-compliance with the licence conditions. However, there is no guarantee that this delicate balancing act can continue, and it is highly dependent, not just on SEPA's understanding but also on the ability of the local community to use the site responsibly and not deposit hazardous waste. There have been a number of these incidents in recent years and each time the site has had to be closed until the waste can be safely and appropriately dealt with.

### **4.2.**

There are clear reasons behind the licence condition requiring permanent on-site staff and, without this presence, the risks which the licence condition is designed to mitigate are not being appropriately managed. It should be noted that these risks generally apply to the deposition of household waste and that other sites in the County which accept only recyclable materials are not licensed in this way and do not therefore require staff on site.

### **4.3.**

The status quo therefore is not a reasonable option and the Council needs to make a decision between additional investment in the sites, to enable them to remain open in their current format, or to close them. Whilst the value of these sites to their local communities is recognised, there are other options available for the disposal of waste and recycling and so householders will still be able to make use of Council facilities.

### **4.4.**

The Council has a clear policy of no new additional commitments and a moratorium on staff establishment increases. In addition, given the current severe pressures being experienced, not just by the waste budget but also across the entire Council, any additional resource granted to the waste service would need to be balanced by cuts somewhere else in the organisation. Therefore Option 1 is extremely contentious and likely not viable.

### **4.5.**

Option 2, therefore, is the only way in which to ensure that the Council does not continue to breach the site licence conditions. It is appreciated that this is equally contentious and that closing the sites will not be popular, in particular at St Margaret's Hope, but continuing to run them as they currently are risks at the very least reputational harm and, potentially, financial penalties and/or imprisonment.

## **5. Conclusion**

### **5.1.**

Of the two options under consideration, only Option 2 provides a viable solution to compliance with the licence conditions and is therefore recommended.