

**TEXTILE BANKS – ASSESSING THE PROPOSAL TO ENTER INTO THE COUNTY FRAMEWORK CONTRACT**

**1. PURPOSE OF REPORT**

- 1.1 To consider a recommendation made by the Environment Overview and Scrutiny Panel in January 2018, to enter into discussions with Fareham Borough Council (FBC) regarding joining the framework contract for textile and clothing recycling banks on Council-owned land.
- 1.2 To recommend a way forward to the Portfolio Holder for Environment and Regulatory Services.

**2. INTRODUCTION**

- 2.1 The Council's corporate priorities include a commitment to protect and enhance the environment, reduce the quantity of household waste and maximise the amount reused or recycled. Textile recycling helps work towards these priorities by reducing use of natural resources and maximising the collection of recyclable materials.

All textile bank donations are sold for reuse or recycling. Old clothes which cannot be re-worn can be recycled into a variety of things including industrial wipes, mattress fillings, cloths, insulation for new cars and pellets for punch bag fillings. Shoes are repaired and re-sold. All clothing has a value.

- 2.2 In January 2018, the Environment Overview and Scrutiny Panel agreed a recommendation to pursue the option of entering into a countywide framework contract for textile recycling. In order to progress this, a task and finish group was convened to consider the current situation and the options available to the Council. The group comprised Cllr Allan Glass (Chair), Cllr Peter Armstrong, Cllr Roxy Matcham, Cllr Goff Beck, Cllr Sue Bennison.
- 2.3 The January 2018 report to the Panel discussed the background behind the textiles banks that are currently placed on District Council land. The report confirmed there is no real structure to the way textile banks are located across the New Forest. There are 4 charities providing textile collections on the Council's land and only Bag it up (BIU) contributes directly towards local charities. BIU currently make a charitable contribution of £125.00 per tonne to the Council. This is for textile material collected from 19 BIU banks across the District.
- 2.4 All income received from the sale of textile materials via BIU is currently allocated to the Chairman's charity.
- 2.5 The framework contract is managed by Fareham Borough Council (FBC) and is to be renewed for April 2019; giving the Council a fresh opportunity to enter into an

agreement that could standardise our approach to textiles banks on Council-owned land.

- 2.6 The opportunity to tender is now closed and is subject to award beginning of March 2019. All Hampshire Councils including New Forest District Council were named as a potential partner in the tender documentation.

### 3. CURRENT ARRANGEMENTS

- 3.1 There are a number of organisations that site textiles banks across the District. Some of these are on Council land, some are on private land. The Council lists 20 recycling sites on its web page that offer a range of recycling banks. These sites have our mixed recycling and glass containers that are emptied and managed by the Council on a weekly basis. However not all of these are placed on Council land, and in addition to these 20 sites there are various other car parks and council owned land that have stand-alone textile and shoe banks. Currently there are 22 Council-owned sites hosting 42 banks from 4 different organisations. A full list is available below:

Textile and shoe banks - Council Land					
Location	Salv Army	BIU	SOEX	Oxfam	Total
Ashurst -car park	1	1			2
Applemore Leisure (leased from HCC)		1			1
Bransgore - car park	1		1		2
Dibden - Oak Road car park	1	1	2		4
Fordingbridge – A338 slip road car park	1	1	1		3
Hythe - New Road Car park	1		1		2
Hythe - Jones Lane Car Park	1				1
Lymington - Barfields car park		1	1	1	3
Lymington - Bath road car park			2	1	3
Lymington - St Thomas Street		1			1
Lymington – Cannon Street car park		1			1
Lyndhurst - car park	1	1			2
Milford on Sea - Sea Road		1	1	1	3
New Milton - Elm Avenue		1	1		2
New Milton - Spencer road	1			1	2
New Milton - Osbourne Road		1			1
Ringwood - Furlong car park	1		1		2
Ringwood Leisure (leased from HCC)				1	1
Totton - Civic centre car park	1	1			2
Totton - Winsor Road car park	1	1			2
Totton - Rumbridge street car park		1			1
Totton - Hounsdawn Avenue		1			1
<b>Totals</b>	<b>11</b>	<b>15</b>	<b>11</b>	<b>5</b>	<b>42</b>

- 3.3 As per the January 2018 textile report, the Council only receives a charitable contribution from BIU. There is no agreement in place with any other organisations with regards to profit share, income generation for the Council or charitable contributions for local community grants. This income is from material collected from 19 textile bank locations.
- 3.4 Up until now, the Council has not been through a competitive process to ensure that either the Council or the local community are getting the best deal from the organisations operating the banks located on Council land. The Council has no policy on which charities it will or won't allow on council land, and the number of providers, range of banks etc, does not lend itself to consistent messaging or orderly bring sites and car parks.
- 3.5 The charitable contribution from BIU is based on £125 per tonne of materials/goods sold. The income for the current year is shown below

Month	BIU Charitable contribution
Apr-18	£ 804.25
May-18	£ 596.13
Jun-18	£ 670.50
Jul-18	£ 636.75
Aug-18	£ 783.13
Sep-18	£ 603.75
Oct-18	£ 1,009.25
Nov-18	£ 981.86
<b>Total</b>	<b>£ 6,085.62</b>
<b>Year-end forecast</b>	<b>£ 9,128.12</b>

#### 4. RECYCLING CREDITS

- 4.1 Recycling Credits are paid by the Waste Disposal Authority (WDA), Hampshire County Council, to reflect the fact that the WDA does not have to pay disposal costs for waste which is being re-used or recycled, rather than incinerated or land-filled. Recycling Credits for 2018-19 are paid at £45.94 per tonne.

The Council does not currently receive any recycling credits from Hampshire County Council for the material collected from the textile banks on District Council land. HCC will only pay credits for material that is recycled, not material that is reused. Our current lack of formal agreement with textile bank providers means we have been unable to provide an apportionment figure for the material (i.e. apportionment between tonnage reused and tonnage recycled).

## **5. INCOME POTENTIAL**

- 5.1 The market rate for textiles being sold on the open market was reported on the industry website LetsRecycle.com as between £200 and £270 per tonne in December 2018.
- 5.2 Using an estimate of likely tonnage from textile banks on Council-owned land, we can estimate that this material would have a market value of between £34,400 and £46,400.
- 5.3 Recycling credits could be claimed if an apportionment figure could be established between reused and recycled materials. Other organisations have done this under the county framework agreement. Fareham Borough Council are currently claiming recycling credits on 32% of all material collected from the textile banks. Based on the current tonnages collected on Council land, this Council could potentially claim around £2,500 in recycling credits under the framework agreement.

## **6. OPTIONS FOR CONSIDERATION**

### **6.1 Option 1: The Council enters the County framework**

The tender opportunity is offered as “*a Services Concession for the provision and servicing of textile recycling banks in Fareham Borough Council and other neighbouring Councils within Hampshire & IOW Procurement Partnership (HIOWPP) through a framework agreement.*” New Forest District Council has been named as a neighbouring Council in the current tender document. The Council could therefore join the framework contract without going through our own procurement process first.

#### **6.1.1 Option 1: Proposed timeline to completion**

- 26 February 2019 – Textile bank task and finish group meeting
- 4 March 2019 – FBC award tender
- 14 March – Working Group feeds back to Environment Overview and Scrutiny Committee, Committee makes recommendation to Portfolio Holder.
- April 2019 – Officers to inform FBC of decision and initiate 12 weeks’ notice of removal of any necessary textile banks. Work with corporate communications to ensure appropriate response
- June 2019 – Implementation of appropriate communications
- July 2019 – New textile banks to be implemented

## 6.1.2 Option 1: Advantages and disadvantages

### **Advantages:**

- Improved management of sites, dealing with one organisation.
- Uniform approach, same colour banks across all sites, clearly indicating the Council logo and defining the allocation of income. Fareham example shown in appendix 1.
- Opportunity for the Council to decide on the destination on the income, local good causes can be supported.
- Procurement process already carried out, speeding up the process and reducing costs.
- Increased transparency about how sites are allocated, reducing risk.
- Recycling credits available; currently HCC recognise that 32% of all material collected under existing framework contract is being recycled (as opposed to reused) and will pay credits accordingly.
- Greater control over data management.
- Better quality of service for residents.
- Charities have had the opportunity to tender for the contract.
- Arrangement with service provider is flexible, meaning that price received could increase in the event that market value of textiles increases significantly.

### **Disadvantages:**

- Bank removal; any organisation not successful in the framework tender would need to remove their banks from Council owned land. Note – these organisations can continue to have a presence in the NFDC area on privately owned land and all current charities have had the opportunity to tender for the contract.
- Potential for negative publicity resulting from removal of charity banks.
- 3% of income generation will be paid to Fareham Borough Council as a service charge.
- Arrangement with service provider is flexible, meaning that price received could decrease in the event that market value of textiles decreases significantly.

## 6.2 Option 2: The Council continues with current arrangements

The Council could continue with current arrangements, with multiple charities operating banks across the bring site network.

### 6.2.1 Option 2: Advantages and disadvantage.

#### **Advantage:**

- **No immediate requirement to negotiate with current charity providers.**
- **Current income would continue, providing stability.**

#### **Disadvantages:**

- **Loss of potential income to the Council**
- **No recycling credits available**
- **Lack of control in quality of service**
- **Lack of uniformity, see images in appendix 2**
- **Poor response times to over flowing banks**
- **Lack of transparency as to how sites are allocated, potential to be challenged**
- **No clear agreements in place**
- **Limited control over income allocation**
- **Currently only 35% of the textile banks on Council owned land have the potential to benefit local good causes.**

## **7. CONCLUSIONS OF THE TASK AND FINISH GROUP**

7.1 There needs to be a more transparent process for dealing with the collection of textiles and the income received from those collections. Working with multiple organisations is limiting control of Council owned sites both in an operational and financial sense. There is opportunity to increase that control through entering into the Fareham Borough Council framework contract. Therefore the Council should pursue this option from April 2019.

7.2 In entering into the framework there is also opportunity to increase clarity on the allocation of income from the sale of textile material; and benefit local good causes. It is proposed that this would be apportioned as follows:

20% - Allocated to additional recycling initiatives and communications via the Council's waste and recycling team.

20% - Allocated to the community grants fund, to benefit smaller local charities.

60% - Awarded to, and split equally between a minimum of 2 'local' charities. These charities to be selected annually and not the same in consecutive years. They must also directly serve or benefit the District.

7.5 Should the decision be made not to enter into the framework agreement, there must be further work done to ensure some of the disadvantages of the current arrangement are rectified.

## 8. ENVIRONMENTAL IMPLICATIONS

- 8.1 The reuse and recycling of textiles is an important part of the Council's strategy for managing waste and recycling.

## 9. CRIME & DISORDER IMPLICATIONS

- 9.1 There are no crime or disorder implications associated with this report.

## 10. EQUALITY & DIVERSITY IMPLICATIONS

- 10.1 Local textile recycling banks assist local residents to recycle close to their own homes.

## 11. RECOMMENDATIONS

That it be recommended to the Portfolio Holder that:-

- 11.1 With effect from 1 April 2019, the Council enters into the Fareham Borough Council framework contract and officers begin the process necessary to implement new recycling facilities in line with this framework.
- 11.2 The income received by the Council from textile sales under the Fareham Borough Council Framework agreement should be apportioned accordingly:
- **20%** - Allocated to **additional recycling initiatives** and communications via the Councils waste and recycling team.
  - **20%** - Allocated to the **community grants fund**, to benefit smaller local charities.
  - **60%** - Awarded to, and split equally between a minimum of 2 '**local**' **charities**. These charities to be selected annually and not the same in consecutive years. They must also directly serve or benefit the District.

### For further information contact:

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### Background papers:

Fareham Borough Council  
Framework contract

## Appendix 1

Example of standardised clothing banks located across all FBC owned sites, since the implementation of the framework.





## Appendix 2

Examples of some of the current textiles banks located on NFDC land.





