

<b>Report on</b>	Update on prepayment system at Recycling Centres
<b>Date of Meeting</b>	8 September 2020
<b>Reporting Officer</b>	Mark McAdoo, Head of Environmental Services
<b>Contact Officer</b>	Mark McAdoo, Head of Environmental Services

<b>Is this report restricted for confidential business?</b>	Yes	
If 'Yes', confirm below the exempt information category relied upon	No	X

<b>1.0</b>	<b>Purpose of Report</b>
1.1	To update members on the operation of the prepayment system for the acceptance of commercial waste at Cookstown, Drumcoo and Magherafelt Recycling Centres.
<b>2.0</b>	<b>Background</b>
2.1	A previous internal audit carried out identified the handling of cash received for the acceptance of commercial/trade waste at Recycling Centres as a theft/fraud risk.
2.2	As a result a pre-payment system was introduced on 4 <sup>th</sup> June 2018 at Cookstown, Dungannon and Magherafelt Recycling Centres (the only sites where commercial residual waste is accepted and which have weighbridges to weigh such waste).
2.3	Initially customers were only able to top up/credit their swipe cards by calling in person at one of the Council depots or phoning to make a chip and pin payment. As a result, the acceptance of cash payments continued at the sites in tandem alongside the operation of the new swipe card automated prepayment system.
2.4	However, a year later in June 2019 functionality was added to the Council website which permitted online payments to be made on the system. At this point all cash payments/handling for commercial waste disposal at the three sites ceased.
2.5	The installation of the prepayment system was a planned contribution to one of the Council's four Corporate Improvement Objective for 2017-19 namely, <i>"to improve the accessibility of our services by increasing the number available online"</i> .
2.6	An internal audit on the system was received in February 2020 which provided a satisfactory level of assurance. However, one of the recommendations of the audit was that six-monthly updates would be provided to Committee on the operation of the system; hence the submission of this paper for members information.

3.0	Main Report			
3.1	Commercial customers are required to maintain a minimum credit balance on their account in order to use their card at a Recycling Centre (this is currently set at a level of £35 – about a quarter of the current cost to dispose of one tonne of waste).			
3.2	As at 30 June 2020 there were a total of 393 customers registered on the system.			
3.3	In the twelve-month period since the cessation of cash payments on the sites i.e. between June 2019 and June 2020 a total of £38,650 income/revenue has been processed through the prepayment system i.e. credited onto swipe card/accounts.			
3.4	During the same period a total of 82 online payments amounting to £8,693 have been received accounting for around 20% of the total payments made on the system. During quarter 1 of 2020/21 i.e. April to June this figure increased to 25%.			
3.5	The cashless card/swipe system had proved beneficial during the recent pandemic as there has been no need for interaction between site attendants and customers.			
3.6	The GenWaste prepayment system includes a waste data and recording function which is also being utilised at the Councils three waste transfer stations located at Drumcoo, Magheraglass and Magherafelt to record and report all municipal waste transported in and out of from these sites by either the Council or our contractors.			
3.7	The current charges for the disposal of commercial waste at the sites are as below:			
	Material	Rate per Tonne	VAT	Total Per Tonne
	Residual Waste	£150	£30	£180
	Wood	£75	£15	£90
	Hard Plastic	£125	£25	£150
	Plasterboard	£150	£30	£180
	Fridges/Freezers	£50 each	£10	£60 each
	Oil filters & rags	£2200	£440	£2640
	Engine & vegetable oils	£200	£40	£240
	Green (garden) waste	£50	£10	£60
	Paint (including cans)	£850	£170	£1020
	Rubble	£20	£4	£24
4.0	Other Considerations			
4.1	Financial, Human Resources & Risk Implications			
	Financial: The cost of installing the GenWaste prepayment system in 2018 was £25,000. Since that time a further £3,500 has been spent on developing the online payment functionality and related reports as well as the purchase of additional swipe cards.			
	Human: Office time required for developing the system in partnership with Precia Molen Ltd			
	Risk Management: The prepayment system has reduced the risk of fraud/theft from cash handling .			

<b>4.2</b>	<b>Screening &amp; Impact Assessments</b>
	Equality & Good Relations Implications: N/A
	Rural Needs Implications: N/A
<b>5.0</b>	<b>Recommendation(s)</b>
5.1	Members are asked to note the content of this report.
<b>6.0</b>	<b>Documents Attached &amp; References</b>
	None