

EAST AYRSHIRE COUNCIL

SPECIAL CABINET – 8 JULY 2009

AYRSHIRE HOUSEHOLD RECYCLING SCHEME

Report by Executive Director of Educational and Social Services

1. PURPOSE OF REPORT

The purpose of this report is to inform Members of the decision made by the Ayrshire Household Recycling Scheme to cease trading.

2. BACKGROUND

On 18 March 2009 Cabinet approved a grant award to the Ayrshire Household Recycling Scheme (formally known as the Kilmarnock and Loudoun Furniture Distribution Scheme) of £7,302, representing 6 months funding and made in two payments over the 6 month period subject to the completion of project monitoring forms. Cabinet also requested that Officers return with a paper on the future sustainability of the Scheme.

Funding was made subject to:

- Confirmation that the scheme was operating in line with companies house in relation to Board members
- That they had a financial plan for the next six months in place which only covers the cost in relation to the developments within East Ayrshire
- That the service continued to be provided to residents within East Ayrshire
- That an exit strategy was put in place if funding was not secured by Cunninghame Housing Association.

3. CURRENT POSITION

Over the past few weeks events have taken a direction that without immediate action by the Board of Ayrshire Household Recycling, the liabilities incumbent upon them as Directors would have become too great. This has largely come about due to an unsuccessful funding application made by Cunninghame Housing Association to the Scottish Governments Wider Role Fund to further develop Ayrshire Household Recycling.

The lack of new funding was discussed at a specially convened Board meeting on 10 June 2009. Officers of the Council from the Department of Educational and Social Services were in attendance along with Officers from Cunninghame Housing Association.

After due consideration the decision was taken to cease trading before it became insolvent. None of the officers in attendance took part in the decision making process as they were not formally Board members.

Following this meeting, a further meeting was held on the 16 June to finalise action plans and to put final dates on those actions.

A formal written notice has not yet been received by the Council in respect of the closure, however a meeting has taken place with a representative of Neighbourhood Services regarding the disposal of any excess furniture left unsold at the close of the scheme.

Appropriate procedures, as far as Council officers are aware, have been implemented.

4. FINANCIAL IMPLICATIONS

- 4.1 The first payment of £3,651 was made to the Project which has been fully spent.

5. PERSONNEL IMPLICATIONS

- 5.1 Nil

6. COMMUNITY PLANNING/POLICY IMPLICATIONS

- 6.1 This will impact on the Promoting Lifelong Learning Theme of the Community Plan.

7. RISK MANAGEMENT IMPLICATIONS

- 7.1 All appropriate procedures have been in place in terms of Following the Public Pound.

8. RECOMMENDATIONS

- 8.1 Members of the Cabinet are asked to:

- (i) note the closure of Ayrshire Household Recycling
- (ii) otherwise note the contents of the report.

Graham Short
Executive Director of Educational and Social Services

LIST OF BACKGROUND PAPERS

Grant Funded Projects 2009/10 – Cabinet 18 March 2009

Members wishing further information should contact Kay Gilmour, Head of Service :
Community Support, Tel: (01563) 576104

IMPLEMENTATION OFFICER

KAY GILMOUR, HEAD OF SERVICE: COMMUNITY SUPPORT