

## 1. CLOTHING BIN POLICY

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The purpose of this report is to inform the Council of the issues surrounding the siting of clothing bins on Council land, and to seek the Council's approval to commence discussion with the community and private sectors on the draft policy and proposed course of action.

### INTRODUCTION

The Christchurch Methodist Mission has written to the Council seeking a dispensation for organisations with 100% charitable status to locate second-hand clothing bins on Council-owned land at agreed locations.

The Mission has, for many years, operated second-hand clothing shops (Goodwill Stores/Opportunity Shops) in the city. As well as generating a surplus which is used to support other Mission services, these shops make second-hand clothing, furniture, white ware and bric-a-brac available to people on low incomes. They also provide employment, training and meaningful activity for their staff and volunteers. Clothes for these shops are donated either directly to the shop or via clothing bins.

According to the Methodist Mission, there are a number of charities, in addition to the Mission, that currently 'operate' clothing bins. However, instead of selling the useable clothing cheaply through goodwill stores, etc, the useable clothing donated to some of these other charities is, in most cases, sold through commercial secondhand clothing outlets at commercial prices. This distribution is managed by a commercial operator who purchases the naming rights from the charities by paying a flat fee per annum. The commercial operator manages the entire operation, from the distribution of the clothing bins to the collection and distribution of the useable clothes and rags.

Recently, the Methodist Mission has been facing competition for their bin sites from commercial operators who approach the site owners where the Methodist Mission's bins are located and offer these owners a site license fee to store their bins only. Being a non-profit organisation, the Mission is unable to compete for sites and consequently its ability to provide low cost clothing and other community services (funded through money generated from these sales) is being significantly affected. The situation is being aggravated by competition from cheap imported clothing. It appears that the Methodist Mission differs in its operation to other non-profit organisations in that it owns its own bins and, therefore, all proceeds from the goods collected in them.

### CURRENT PROCEDURE FOR SITING CLOTHING BINS ON COUNCIL LAND

Staff are aware that clothing bins are sited on at least two Council-owned sites at the Bromley Transfer Station and Fendalton Library site (their ownership is being investigated).

It appears that these bins have been put there through an informal process, without any written agreement or contract. This is not an appropriate situation for the Council and it is highly desirable that procedures be formalised. The request from the Methodist Mission makes this an appropriate time to review present practices.

### ANALYSIS

There are two fundamental issues for the Council to consider. Firstly, whether, as a matter of policy, the Council feels it has an obligation to assist the Methodist Mission in this regard. If it does believe it has such an obligation, the second issue relates to how the policy should be implemented.

As to the first issue, the Council already has numerous policies and programmes directed towards assisting charitable organisations with their community-based activities. An example specifically affecting Council land is the policy of not charging sports clubs rent for junior sports fields. At a broader level it has community policy (24 August 2000) to, among other goals, supplement the capabilities and resources of community groups and structures, and policy (July 2000) to work with community groups to address key areas of social need. Therefore, assistance for charitable organisations such as the Methodist Mission falls within the scope of existing Council activities.

With regard to aiding charities generally or those that specifically distribute not-for-profit clothing, it is clear from the Methodist Mission's request that provision of cheap clothing is an important element of its community service, which appears to be at risk. As such, the Council may be justified in agreeing to support this aspect of the Methodist Mission's work.

The second issue requires several matters to be considered. These are:

- (i) The scope of the policy.
- (ii) On which Council property can sites be made available for charitable organisations such as the Methodist Mission?
- (iii) What process, including consultation, should be used to allocate these sites?
- (iv) What are the appropriate terms and conditions?
- (v) What is the Council's responsibility?

These issues will be dealt with in turn below.

### **The Scope of the Policy**

Allowing all charitable organisations to operate clothing bins on Council sites, while supporting these charities (including the Methodist Mission), may not significantly further the collection and distribution of not-for-profit clothing. However, allowing the Methodist Mission exclusive rights to operate bins on Council sites seems unduly selective and will rule out other charities that might provide similar services either now or in the future.

Two reasonable options that will aid in the collection of charitable clothing and will not be overly discriminatory are:

1. Allowing all clothing bins (including commercial operators) to be located on Council sites, but requiring identification labels detailing the clothing distribution; or
2. Allowing only those charities that distribute useable clothing entirely through not-for-profit Goodwill Stores, Opportunity Shops or similar charitable outlets to use Council sites.

With regard to the first option, all the charities that currently operate clothing bins could formally request permission to locate on Council sites. Currently, there are six main charitable organisations which collect clothes through clothing bins (the Methodist Mission, Child Cancer, the Paraplegic Society, Age Concern, Life Line and the Salvation Army). In this instance, the Methodist Mission will be marginally better off having access to additional sites. However, it would still be competing for clothes with the other charities. In this scenario, there may be interest from commercial operators to enter into exclusive licensing agreements with the Council (as they have done on privately-owned sites). If this option is chosen, it must be agreed in advance that the Council will not enter into any exclusive arrangements with any commercial operators.

With regard to the second option, charities with commercially-managed bins (where the useable clothes are sold through commercial shops) would not meet this requirement and hence would be unable to use the Council sites. This approach would allow other church groups or charity organisations to take advantage of this policy where they meet the not-for-profit distribution criteria. Although not exclusive, this approach would greatly assist the Methodist Mission.

Given the reduction in available clothing bin sites (and therefore cheap clothing) for the Methodist Mission and any other not-for-profit clothes distribution charities, it is recommended that the second option be implemented.

## **Site Suitability**

From the Methodist Mission's perspective, clothing bins have the following site requirements:

- must be located where there are people;
- must be of sufficient size to comfortably accommodate one bin;
- must be near a parking space or parking area; and
- must be able to be serviced weekly, or as required, by a 5-tonne truck.

There are many Council sites which meet these criteria. However, some sites are less suitable than others. From the Council's perspective, suitable sites would have the following characteristics:

- a hard surfaced area of sufficient size to accommodate clothing bins;
- ability for bins to be located within or adjacent to a car parking area;
- if located within a car park, the bins must not compromise traffic flow, parking and safety in the car park;
- a location where the bin(s) will not unduly compromise the character or aesthetic appeal of the site and buildings;
- a location where the bin(s) will not compromise the use of the site or building; and
- a location which will not result in undue adverse affects on neighbours.

## **List of Potentially Suitable Sites**

Considering the above site constraints, the following is a list of potentially suitable sites:

- Bromley Transfer Station;
- Parkhouse Avenue Transfer Station;
- QE II Park;
- Jellie Park Aqualand;
- Pioneer Leisure Centre;
- Sockburn Service Centre; and
- the former Fendalton Library site (the Methodist Mission has had a collection bin on this site for some years).

## **Site Allocation**

The site(s) chosen should be able to accommodate one bin from each of the charities that meet the Council's criteria. Participating charities would be able to locate one bin at any or all suitable sites, or as negotiated through a registration of interest process (see below).

Prior to the establishment of clothing bin sites, it is recommended that consultation of potentially affected parties should be undertaken to determine the suitability of the chosen site.

## **Terms and Conditions**

The Council should publicly advertise for expressions of interest to charitable organisations interested in using Council sites for clothing bins. Acceptance of proposals would be conditional on meeting the Council's criteria. Licenses would be issued on a yearly basis only. Standard terms and conditions would apply.

The use of Council sites for clothing should be initiated on a trial basis only for the first year, after which time the Council's policy on clothing bins would be reviewed.

The responsibility to service and maintain the clothing bins would rest at all times with the clothing bin operator. Any complaints regarding the clothing bins should be noted by the site's property manager and forwarded to the Clothing Bin operators.

## **DRAFT CLOTHING BIN POLICY**

On the basis of the issues outlined above, a Draft Clothing Bin Policy has been prepared and appears as Attachment 1.

## **CONCLUSION**

Assistance along the lines being sought by the Mission falls within the scope of existing Council activities. A policy restricting the use of Council sites to those charities which distribute the useable clothes entirely through not-for-profit Goodwill Stores, Opportunity Shops or similar charitable outlets is considered the most appropriate to achieve the goal of supporting such charitable organisations.

However, prior to adopting any such policy, the Council should consult with those groups in the community who have an interest in this matter. Site suitability will be assessed using criteria which consider access, amenity, safety and the continued working of the site. Consultation with potentially affected parties will need to be undertaken prior to the establishment of clothing bin sites. Sites will be allocated through a registration of interest process on a per annum basis, with standard terms and conditions to apply.

**Recommendation:** That the Council agree in principle that this report, together with the draft policy and proposed course of action, be discussed with the community and private sectors in accordance with the Council's Draft Statement of Intent (see Clause 2).