

BEST VALUE REVIEW OF WASTE MANAGEMENT

1. **BACKGROUND**

1.1 **The Review Team**

The review team was established by invitation and the first meeting was held on 11 April 2000. The timetable for the review was set by the need to make a Stage 1 report to Monitoring Committee in July 2000 and complete the final report for submission to the Committee on 9 November 2000.

Those invited comprised:

- Councillors Hazel Williams, Liz Garner and Dil Owen. Councillor Williams has had an interest in waste management issues since chairing the Refuse Tendering Working Party in 1996;
- Monty Bosworth and Linda Brighton representing Cleanaway who are the current refuse and recycling collection contractor. (Representatives of private contractors were excluded from discussion of "Options" and "Improvement Plans".)
- Stephen Clements and Karen See representing Environmental Health who have responsibilities for recycling "bring sites" and general waste management education.
- Katie Childs representing the Council's Forward Planning team with interest in planning issues.
- Stephanie Cole and Gerald Tickner representing Client Services who are responsible for the refuse and recycling collection contract.
- Mark Shelton representing Cambridgeshire County Council as the waste disposal authority.
- CALC with an interest in service delivery (with a request made for one urban parish and one rural parish representative) - did not attend meetings.
- Ely Chamber of Trade with an interest in commercial waste - did not attend meetings.

1.2 **Description of Service**

At the outset the parameter of the service review were established as including:

- Refuse collection
- Recycling, both "bring" and "collect" schemes
- Composting
- Clinical waste collection
- Bulky waste collections
- Commercial waste collections
- Education on waste minimisation

1.3 **Present Delivery**

Collection services are carried out by Cleanaway under a competitively tendered contract commencing on 20 January 1997. The initial contract is for a period of 6 years, extendable for a further 4 years with notice of intention to extend being given by January 2001.

The Council received the Government's Charter Mark Award in February 2000 for the refuse and recycling collection service. This award is for excellence in the provision of public services

Contract monitoring and supervision of service delivery, together with promotion/education activities, the development and maintenance of bring sites and home composting initiatives are now carried out by officers of the Environmental Health Section.

Costs - Budget Out-turn 1999/2000

1.	Refuse Collection	Contract	£689,939
		Other - <i>including salaries and internal Recharges</i>	24,642
2.	Kerbside Recycling	Contract	16,071
		Other - <i>including salaries and internal recharges</i>	17,630
3.	Other Recycling and Waste Management	Gross Budget	85,830
		Income - recycling credits	(38,130)
		Nett Expenditure including: <i>Strategy Work</i> <i>Promotional activities</i> <i>Compost bins/recycling centres</i> <i>Subsidies</i> <i>Salaries and recharges</i>	47,700

1.4 Statutory Framework

The collection of household waste is a statutory service required of the District Council as a Waste Collection Authority by the provisions of Section 45 of the Environmental Protection Act 1990.

Clinical Waste, defined as special waste in the Environmental Protection Act 1990, and bulky household waste would also fall within this definition although, in the case of the latter, the Collection Authority have the ability to make a change for the service.

The Waste Collection Authority has a duty imposed by Section 45 of the Environmental Protection Act 1990, to collect commercial waste on request and again have the option to charge for the service.

Levels of service were formally established by Council in 1997 on the recommendation of their Refuse Tendering Working Party.

Recycling activities, including bring and collect systems, promotion of home composting and educational initiatives aimed at waste minimisation are contained within the Council's statutory Recycling Plan required under the provisions of Section 49 of the Environmental Protection Act 1990.

There are a number of other statutory drivers which define the context and direction of waste management activities and which have a significant impact on the review process.

- a) European Union Landfill Directive - establishes specific targets for the reduction in the tonnage of biodegradable municipal waste disposed of to landfill.

- b) National Waste Strategy - places the emphasis on statutory recycling/recovery targets over a series of timescales and initially promulgated incineration, with energy use, as a principal method of waste disposal in the future although other options will come to the fore as the strategy rolls out.
- c) Regional County-wide Waste Strategy - joint work, established in 1999 and confirmed as appropriate by the National Waste Strategy, involving a partnership of 7 authorities. Jointly researching and developing solutions to current and future problems faced by waste collection and disposal agencies. Objectives include the achievement of EU and National targets through integrated waste management schemes.
- d) Waste Local Plan - establishes the land use planning framework for all waste disposal activities within the County. The Plan, which is out for consultation, covers the period to 2011.

In addition, contract termination dates, for both collection and disposal, will be significant milestones in any future plans.

2. OBJECTIVES OF SERVICE

2.1 Customer Base

In many ways the Service is unique in that the customer base is all inclusive. The service impacts on all households in the district mostly on a weekly basis and the quality of the service provided is often, anecdotally, seen as a measure of the performance of the Council.

2.2 Objectives

The principle aim is to provide a high quality waste collection service, responsive to the needs of the public and to increase the proportion of household waste that is diverted for recycling.

In addition, the service has specific aims and targets relating to; increasing the number of bring sites within the district; ensuring comprehensive geographical coverage, increasing the number of properties served by kerbside collection of recyclables and increasing the number of people engaged in home composting.

The Assessors for the Charter Mark Award were impressed by the high quality of the comprehensive refuse collection and recycling collection service provided to households in a rural area and particularly noted the enthusiasm of staff and willingness to respond quickly to requests and comments from users.

2.3 Performance Indicators and Targets

In addition to a number of Audit Commission Performance Indicators to be recorded and published annually, Waste Management activity is also driven by a number of Government/EU targets to a series of overlapping timescales. As previously indicated, many of these targets/indicators require joint working between collection and disposal authorities to achieve expected performance.

National Targets

To recycle or compost - 28% of household waste by 2003/4
- 36% of household waste by 2005/6

- To recover
- 40% of municipal waste by 2010
 - 45% of municipal waste by 2013
 - 66% of municipal waste by 2020

EU Targets

To reduce the amount of bio-degradable municipal waste going to landfill to:

- 75% of 1995 levels by 2010
- 50% of 1995 levels by 2013
- 35% of 1995 levels by 2020

BVPIs

For the purpose of clarification the Best Value performance indicators listed below are those proposed for 2000/2001 with definitions brought into line with those contained within the Municipal Waste Strategy.

BVPI	Indicator	Comment
82a	Percentage of the total tonnage of household waste arisings which have been recycled	The Council's record, using both bring and collect systems, is good although does not achieve national targets. (See Appendix 1) Existing achievement is 16% equates to top 30% in country and highest in Cambridgeshire. Costs of recycling are low.
82b	Percentage of the total tonnage of household waste arisings which have been composted.	To include only centrally composed material and excludes home composting which has been a major plank of the Council's promotion/education campaign. 3,581 compost bins sold.
82c	Percentage of the total tonnage of household waste arisings which has been used to recover heat, power and other energy sources.	Existing percentage for East Cambridgeshire would be 'NIL'
82d	Percentage of the total tonnage of household waste arisings which has been landfilled.	Amount ECDC delivers for landfill disposal is falling year on year despite rising population. Existing figure is 84%. Request made for DETR research into reasons.
BVPI	Indicator	Comment
84	Number of kilograms of household waste collected per head.	285kg/head compares to national average of 404kgs/head
86	Cost of waste collection per	£24.76 per household)

	household.	£10.09 per head of population) lowest 25% in the country
87	Cost of waste disposal per tonne for municipal waste.	£36.06 per tonne equates to lowest 25% in country
88	Number of collections missed per 100,000 collections of household waste.	The Council has an extremely low rate "missed collections" (11 per 100,000) but this figure is still distorted by the method of calculation required by DETR and the Audit Commission. Missed collections put right on the same day must still be counted as a miss. See Appendix 2 and wording of guidance.
90	Percentage of survey respondents expressing satisfaction with Recycling Facilities, Household Waste Collection and Civic Amenity Sites.	Not in 2001/02
91	Percentage of population resident in the authority's area which are served by a kerbside collection of recyclables or within 1 kilometre radius of a recycling centre.	See matrix and plan, Appendix 3 Existing percentage is 92%

3. COMPARE

3.1 Partnership work within the Countywide Waste Forum has produced extensive comparative data on waste management activity.

Appendix 4. seeks to demonstrate appropriate comparisons of performance across the range of activities.

3.2 The Environmental Services Manager is a member of the G16 Benchmarking Group - comprising CIPFA Family group authorities. Benchmarking activity is currently underway using a basic activity questionnaire (**Appendix 5**) and the Hampshire CEHO Matrix **Appendix 6.** The results of this comparison and the identification of best performers will assist in the development of options and an action plan for the future.

3.3 The issue of quality -v- cost is an equation which will require careful consideration during the process of comparison. With the drivers of performance indicators relating to customer satisfaction or the targets for reducing landfill, for instance, the issue of costs is a secondary consideration. This should not preclude the assessment of "value for money" within the existing service and contract.

3.4 Outcome of Comparison

Generally, comparison of performance across a range of activities with other authorities within the family group is favourable.

- Value for money indicators - i.e: in terms of cost/tonne of refuse collected or expenditure in relation to percentages recycled; are good.
- Comparison with better performing authorities in terms of net cost of refuse collection (**Appendix 4 column D5**): Shows the following possible reasons for low costs:-
 - Forest of Dean - advantage of higher density population;
 - Babergh - not back door collection; poor missed collections performance;
 - Mid Suffolk - No garden waste collection;
 - Suffolk Coastal - No garden waste collection; poor missed collections performance.
- Amount delivered to landfill by ECDC continues to fall year on year.

4.0 **CONSULT**

- 4.1 The Review Panel has not yet had the opportunity to use the Citizens Panel questionnaires. Initial general questions to the Panel highlighted the view that Refuse Collection is the most important service provided by the District Council.
- 4.2 The public have high expectations of all aspects of Waste Management and correspondingly high levels of satisfaction with the service.
- three-quarters of respondents expressed satisfaction with the refuse collection service
 - two-thirds of respondents expressed satisfaction with the Council's recycling activities
 - 80% of respondents currently recycle
 - 17% of respondents would be prepared to recycle
 - half of respondents currently compost waste
 - one-third of respondents would be prepared to compost waste
- 4.3 The responses to these general questions generate a number of further questions which would be best considered in focus group activity. In particular, it is important to find out why those respondents who do not currently recycle/compost are not participating given the large percentage expressing a willingness to do so. Equally, the specifics of dissatisfaction with the service need further exploration.
- 4.4 It is apparent that, with a high priority service, there is a problem of perception with instances of one missed collection, or one displaced recycling box, resulting in a negative response to questions of satisfaction with the service as a whole.
- 4.5 The Review Team carried out further detailed consultation on specific issues by questionnaires to Parish Councils in an effort to elicit the level of complaints through this media and the opportunity for improvement in the service. Similarly, Staff and Members of East Cambs District Council were consulted on their view of the service. Of particular interest, and surprise in this latter consultation was the majority response in favour of collecting/recycling plastics, as opposed to the more obvious (and attractive in terms of achieving targets) option of collecting/recycling green waste. There is clearly a need to provide clear and unambiguous advice to the public on the option of plastics recycling and a proposal for a fact sheet is contained in **Appendix 7**.
- 4.6 The Review Panel considered the issues raised through the LA21 consultation and the response to the questions raised are shown in **Appendix 8**.

Specific issues proposed for inclusion within the Review's Improvement Plan relate to:-

1. Public advice on recycling and waste minimisation to be linked to LA21 strategy work.
2. Black Box availability is an issue; the publicity for the scheme and process for expansion/updating of premises served by the scheme.
3. Public like compost bin sales! - link to LA21 for resources.

Overall there are a number of possible links to the LA21 strategy with resources already identified for promotional activities.

4.7 Consideration of other corporate policies led to the following issues being raised and discussed.

(a) equal opportunities policy:

- accessibility of service
- edge of curtilage or back door collections?
- recycling collection service available for all?
- a recycling bank within 1km of every resident?

(b) community safety:

- wheely bins left outside
- broken glass in plastic sacks
- frequency of collection/householders storage of waste
- black sack delivery mechanisms (bags in letter boxes)
- clinical waste

4.8 Outcome of Consultation

Again the outcome of the consultation process was generally favourable although the Review Team recognises the need to "look beneath" some of the responses received.

The decision to carry out the Review in Year 1 was made, principally as a result of negative response from the Citizens Panel respect of the "Black Box" kerbside collection of recyclables. Further examination of these responses in the Review actually reveals general satisfaction with the scheme although many respondents complained that coverage was not comprehensive. This issue will be addressed within the Improvement Plan.

Of more concern is the "participation rate", particularly given the conflicting responses received. Measures will need to be taken to survey participation in both black box and bring recycling activities and also in home composting initiatives.

The public perception of the refuse collection service appears positive and would certainly not indicate that the existing contract should be terminated early on the basis of poor performance.

5.0 CHALLENGE

- 5.1 Notwithstanding the statutory requirement to provide a refuse collection/disposal service and the definition, within the Council's Statutory Recycling Plan, of initiatives to divert material from the household waste stream; the Review Team considered each aspect of the service individually.

- 5.2 The process of challenge included an examination of alternative options for delivery (**See matrix in Appendix 8**) bearing in mind the role of the Refuse Collection Working Party in setting service quality standards in 1997.
- 5.3 The Review Team continued to be aware of the dichotomy of working within wider strategic boundaries, both National and Regional, which will require significant change to the service in future years and yet may restrict the opportunities for innovative working in the short term.
- 5.4 Similarly, the existing partnership working on practical and strategic issues, at both officer and Member level, has developed a commitment to a joint approach which has significant strengths but may also restrict individual options.
- 5.5 Finally, on this issue, the existing contract specification for refuse collection and kerbside collection of recyclables continues to 2003 and may be extended to 2007. Other contracts, for glass and paper recycling, compost bins, etc are less tying but are usually better value for money when negotiated by a partnership of authorities.

5.6 Within these parameters the Review Team have identified a number of options for consideration and possible inclusion within the Best Value Improvement Plan.

5.7 Outcome of Challenge

The individual proposals for change were considered by the Council's scrutiny workshop on 17th October 2000. The options for inclusion in the Improvement Plan have not yet been costed and indeed it is clearly recognised that the Council's total expenditure on Waste Management activities will inevitably rise in the future. This increase is driven by factors, that is targets and strategies, outside the control of the Council and failure to reach the performance required is likely to result in financial penalties to the authority.

6.0 COMPETE

6.1 Given the existing competitively tendered contract for refuse collection and kerbside recycling services which commenced in 1997 for a minimum of 6 years, there is little scope, at present, for variation in the provider of these services. More importantly, the option to extend the contract to 2007 is principally dependent on satisfaction with the service provided. Feedback from the public, both in normal day-to-day monitoring and through the Best Value Consultation would appear to indicate general satisfaction with the service which also compares very favourably with other authorities in terms of performance. As a result there would appear to be no performance issues which would suggest that the contract is not offering best value.

6.2 There remains the issue of value for money. Initially this test was carried out during the competitive tender process of 1997. Commercial confidentiality and commercial priorities preclude a true comparison by contracted services during the Review. The Review Team recognised that the option of developing an in-house service cost for comparison purposes would not be possible before the contract extension date of January 2001. Indeed, the development of an in-house bid for the contract would require separate organisational arrangements within the Council, outside the management of the tendering process. The development of an in-house bid and costings for the service is therefore considered inappropriate at present but should be included in the tender process in 2007.

6.3 Outcome of Competition

Within the context of the wider challenge the Review Team considered the terms of the existing refuse collection and collect recycling contract, which comprises approximately 95% of total costs of the service, a separate issue.

Comparison with recently negotiated contracts is favourable in financial terms and two factors are of particular significance:-

- (a) the contract terms were negotiated on the basis of £3.24/tonne income for recyclables whilst at present the markets for such materials has collapsed;
- (b) the long term contract has a price rise based on yearly inflation increases which at present is a system favourable to the Council.

The Review Team also considered the implications of cutting existing costs by 5, 10 and 15%. It was noted that, given the high percentage of the total waste management costs accorded to the refuse collection/collect recycling contract, any cuts of this size would impact on those specific parts of the service. In the context of wider drivers; the statutory nature of the service and the need to increase recycling percentages/reduce landfill; this was not considered as an option which was available to the authority.

7.0 IMPROVEMENT PLAN - TARGETS AND PERFORMANCE INDICATORS

Again, many of the improvements to the service in future years are likely to occur as a result of action to meet national or regional targets. Increases in the amounts of bio degradable municipal waste diverted from landfill through central composting schemes are inevitable and will require investment by the Council, probably in partnership with other Cambridgeshire local authorities.

There are, however two specific initiatives which stand out from the information considered as part of the Best Value Review:

- 1. The need to extend the black box recycling scheme to cover the whole of the district;
- 2. the need for further publicity/education campaigns on waste minimisation and to increase public participation in recycling activities. **See Appendix 9.**

7.1 Year 1 - 2001/02

Action	Targets and Performance Indicators
(a) Pilot green waste collection scheme in partnership with other Cambs authorities.	- Successful implementation of scheme to cover 1000 properties.
(b) Increase black box recycling scheme to include further 2000 properties.	- Successful increase in No. of properties covered.
(c) Publicity campaign on participation in recycling activities.	- Campaign completed. - Baseline participation measured.

7.2 Year 2 - 2002/03

(a) Customer satisfaction survey used to explore possibility of fortnightly refuse collection survey combined with dry/green waste collection on alternate weeks.	- Completion of survey. - Analysis of response.
(b) Increase black box recycling scheme to include further 2000 properties.	- Increase in no: of properties covered.

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|-----|---|--------|---|
| (c) | Involve contractor in promotion/education activities to encourage recycling/waste remuneration. | - | Successfully implemented campaign. |
| (d) | Provide further bring sites/extend variety of materials collected. | -
- | One further bring site established.
One new produce collected for recycling. |

7.3 Year 3 - 2003/04

- | | | | |
|-----|--|--------|--|
| (a) | Extend green waste collection and central composting in conjunction with other Cambs Districts and County Council. | - | Further 1000 properties included in scheme. |
| (b) | Increase range of materials collected in kerbside system. | - | Range of materials collected increased by 2. |
| (c) | Survey to establish need for weekly collection of recyclables. Also to consider changes to containers for collection of recyclables. | -
- | Successfully completed survey.
Analysis of results. |

7.4 Year 4 - 2004/05

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|-----|---|--------|---|
| (a) | Establish increased participation rates in recycling activities based on Year 1 survey. | - | Increase in participation dates by 5%. |
| (b) | Increase No. of properties covered by green waste collection scheme. | - | Increase by 5% on Year 3 figures. |
| (c) | Customer satisfaction survey focussing on refuse collection service and contractor performance. | -
- | Completion of survey.
Analysis of results |
| (d) | Campaign/publicity focussing on waste minimisation in conjunction with LA21 Officer. | -
- | Completion of successful campaign;
reduction of 5% in household waste to landfill. |

7.5 Year 5 - 2005/06

- | | | | |
|-----|--|---|-----------------------------------|
| (a) | Prepare in-house bid for contract as a test of value for money. | - | Completion of in-house bid. |
| (b) | Increase No. of properties covered by green waste collection scheme. | - | Increase by 5% on year 4 figures. |
| (c) | Increase No. of properties participating in recycling activities. | - | Increase by 5% on Year 4 figures. |
| (d) | Achieve recycling rates in accordance with National Targets. | - | Achieve 36% recycling. |

BACKGROUND PAPERS

Local Agenda 21 Strategy

Limiting Landfill – DETR consultation paper October 1999

'A Way with Waste' National Waste Strategy – DETR June 1999

ECDC Refuse Collection Contract Specification 1996

ECDC Recycling Plan

**BEST VALUE
WASTE MANAGEMENT SERVICE**

INDIVIDUAL ASPECTS

Service	Present system	Why	Questions/Challenges	Improvement?	Option Yes/No	Costs
Household Refuse	An unlimited number in disposable bags per week	<ul style="list-style-type: none"> - statutory requirement to collect - frequency & method from RTWP 1996 	<ul style="list-style-type: none"> - use wheely bins/ provide more bags? - offer householders alternatives to collection? - fortnightly collection combined with dry/green waste collection on alternate weeks? 	<ul style="list-style-type: none"> - quantity of waste collected will rise - none appropriate - although increase use of HWRCs and waste minimisation - yes, but need to overcome public resistance 	<p align="center">No</p> <p align="center">No</p> <p align="center">Yes</p>	
Garden Waste	Maximum of one bag per week per household	<ul style="list-style-type: none"> - statutory requirement (household waste) - frequency & amount from RTWP 1996 	<ul style="list-style-type: none"> - provide separate green waste collection? - stop collecting any green waste? 	<ul style="list-style-type: none"> - include in Improvement Plan - public perception and resistance - could charge 	<p align="center">Yes</p> <p align="center">Yes</p>	
Clinical Waste	Collections each Friday taken directly to Addenbrookes Hospital for incineration	<ul style="list-style-type: none"> - statutory requirement - collections as notified by Health Authority 	<ul style="list-style-type: none"> - dispose of differently? (eg Newmarket - reduced travel) 	<ul style="list-style-type: none"> - not a possibility 	No	
Back Door Collection	Collecting refuse from back door from elderly, infirm and disabled householders	<ul style="list-style-type: none"> - quality of life issue - service confirmed by RTWP 1996 	<ul style="list-style-type: none"> - better publicity over availability? - make access to service easier? 	<ul style="list-style-type: none"> - publicity to be specific - increase publicity and events 	<p align="center">Yes</p> <p align="center">Yes</p>	
Bulky Collection Service	Household items such as furniture and white goods collected free of charge	<ul style="list-style-type: none"> - types of items & no charge determined by RTWP 1996 	<ul style="list-style-type: none"> - make use of other organisations for furniture collection - publicise options? - widen range of items collected? - reduce range of items 	<ul style="list-style-type: none"> - problem for charities () in selling non-compliant furniture - continue CFC recovery. - No requirement - Max of 5 items. Charge for more? 	<p align="center">?</p> <p align="center">Yes</p> <p align="center">No</p>	

The "Fen Run"	Refuse collected from remote properties using a small vehicle	<ul style="list-style-type: none"> - to enable collection from narrow/unmade "fen" roads - service confirmed by RTWP 1996 	<ul style="list-style-type: none"> - increase frequency of collection? - define access point to facilitate collection? 	<ul style="list-style-type: none"> - not shown as necessary - not shown as necessary 	No	
Kerbside Recycling	A fortnightly collection service for paper and glass throughout district	<ul style="list-style-type: none"> - to attempt to meet Government recycling targets and statutory recycling plan 	<ul style="list-style-type: none"> - collect weekly? - collect more materials? - extend coverage? - publicise service (especially to new houses)? - provide boxes with lids? 	<ul style="list-style-type: none"> - value for money issue - depends on markets - include in Improvement Plan - Include in Improvement Plan - survey on public's views - limits materials collected 	<p>?</p> <p>?</p> <p>Yes</p> <p>Yes</p> <p>?</p>	
Recycling Centres	41 recycling centres located throughout district	<ul style="list-style-type: none"> - part of recycling plan - statutory - low cost 	<ul style="list-style-type: none"> - provide more centres? - increase variety of materials collected? - improve take up of credits by participants 	<ul style="list-style-type: none"> - include in Implementation Plan - explore possibilities/markets publicity - increase local responsibility ("ownership") 	<p>Yes</p> <p>?</p> <p>Yes</p>	
Composting	One day composter bin sales sponsored by ECDC held regularly throughout the district	<ul style="list-style-type: none"> - part of recycling plan - statutory - joint County/District initiative - reduce waste to landfill - prevent fly tipping 	<ul style="list-style-type: none"> - hold more bin sales? - deliver bins? - collect green waste? - promote community composting? 	<ul style="list-style-type: none"> - include in Implementation Plan - cost the option - include in Implementation Plan - include in Implementation Plan 	<p>Yes</p> <p>?</p> <p>Yes</p> <p>Yes</p>	
Christmas Trees	Recycling service after festive season, the mulch then used on district gardens	<ul style="list-style-type: none"> - prevent dumping and reduce landfill 	<ul style="list-style-type: none"> - work with others? - collect trees? - increase collection points? 	<ul style="list-style-type: none"> - to LA21 Strategy 	Yes	
Education on Waste Minimisation		<ul style="list-style-type: none"> - part of recycling plan - strategy 	<ul style="list-style-type: none"> - extend? - specific campaigns? 	<ul style="list-style-type: none"> - To LA21 Strategy 	Yes	