



Waste on the Front Line – Challenges and Innovations

The impacts of austerity across local authority waste,
recycling and street cleansing services



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Contact:

Sarahjane Widdowson
Ricardo-AEA Ltd
Gemini Building, Harwell, Didcot, OX11 0QR
t: 01235 753260
e: sarahjane.widdowson@ricardo-aea.com
Ricardo-AEA is certificated to ISO9001 and ISO14001

Authors: Sarahjane Widdowson, Helen Sankey, Rory McElearney

Approved by: Adam Read

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Foreword

Local government, along with the wider public sector, has witnessed unprecedented change in its widest sense over the past five years. Economic conditions, which have prevailed across the globe, have seen a huge contraction in public finances and a rethink in how local services are delivered. Local authorities have seen a 40% reduction in funding since 2010 and are likely to see similar reductions over the next five years.

Financial shifts on this scale will impact on the services that councils provide to their residents. With waste, recycling and street cleansing services being highly visible and areas of large spend, they were going to be called upon to provide a share of the savings that were needed. Within the industry, we had an idea of what was being done across the UK by local authority waste managers, but we did not know the exact scale of the problem or the solutions that were being implemented.

The project that CIWM and Ricardo-AEA have undertaken is a major step in assessing just how local authority environmental services are being impacted, and how they are changing and evolving to face this new world we are in. It fills a gap in the information available and increases our understanding of what waste and recycling services are likely to look like in the future – and, for that reason alone, it is of huge importance.

However, the results of the survey go beyond what might be expected. Is the situation difficult? Well yes, services are being stopped, large numbers of staff are being restructured or made redundant and, as a consequence, morale of local authority officers is on a downward slope. Does that mean this report is a picture of doom and gloom? Far from it. If anything, this report shows a situation where innovation, strategic thinking and partnership working is evolving services rather than cutting them. Local authorities are taking the Shackleton family motto 'by endurance we conquer' and proving what we at the Local Authority Recycling Advisory Committee (LARAC) have known all along – council waste managers are knowledgeable, professional and dedicated people who want to provide quality services to their residents that also improve the resource efficiency of the UK.

This report is of value not only in looking at what action has been taken so far, but also informing what action is still to be taken. By highlighting case study examples, local authorities can see how others have responded to the economic climate and how they might be able to redesign services. This is important as local authorities are only half way through the funding cuts and will face the same drop in resources again over the next Parliamentary term.

This report shows that local authorities have been facing up to and making tough decisions – decisions that impact on residents, contractors and partner organisations. Yet, it also shows there are opportunities there to evolve and strengthen services if a strategic and holistic approach is taken. We hope that the information in this report will help local authorities as they continue to face the economic challenges in the next five years and provide insight into how waste, recycling and street cleansing services are changing.



Executive summary

The Chartered Institution of Wastes Management (CIWM) and Ricardo-AEA have worked together to document the impacts of austerity on municipal waste services by conducting a major survey of local authorities in the UK and the Republic of Ireland. The research provides a quantitative and qualitative insight, using an online survey and one-to-one interviews to understand current and future impacts of austerity measures on waste, recycling and street cleansing services, and to capture examples of innovation, improvement and delivery.

The response to the survey was overwhelmingly positive, with 183 local authorities participating and 226 individual council officers responding with their personal views. Where authorities had introduced specific measures to tackle austerity, one-to-one interviews were conducted to gather case studies. The aim of this was to be able to share novel, innovative and, most importantly, successful ideas. In addition to the views of local government, 105 representatives from organisations that supply goods and services to local authorities (including contractors and charities) completed a similar short survey on the supply-chain impacts felt through their business dealings with local authorities.

The research provides an authoritative and timely insight into the tough decisions that have been made to date, and those pending, to hit the savings targets required.

The scale of the impacts

Local authorities have been heavily impacted by austerity, with 69% of respondents stating that their department's budget have been affected by reductions in central Government funding in the five years up to 2015. The survey responses suggest that the cuts experienced to date have ranged from £100,000 per year for some of the smaller district and borough councils to in excess of £2 million per year for larger authorities. In some cases, the cuts have been defined as a percentage of total budgets (for example, between 4% and 10% of total waste and street cleansing services budget) or in others as a specific amount (for example, a saving of £1.4 million by 2016). This highlights the sheer scale of the challenge going forward, as local authorities are, from the analysis completed, only half way through the funding cuts. In addition, some authorities having chosen to delay significant budget cuts in the early years to give themselves time to assess what the best options would be locally.

The evidence shows that there have been some significant changes to waste, recycling and street cleansing services, and to internal resources – with widespread departmental restructuring and reductions in staff numbers. Short-termism has also been evident in some of the decisions made. Examples cited include postponing infrastructure development in favour of short-term contracts and the removal of communications budget lines. Other respondents have warned against undertaking changes in a piecemeal way. This could have unintended and unwanted financial consequences down the line or undermine resident engagement and participation, thereby potentially compromising future performance. Balancing these issues and risks is a delicate task; change is essential to meet current financial pressures, but must be considered in the light of longer term objectives and goals, such as meeting EU diversion and recycling targets, and developing a more sustainable and green economy in the long term.

However, there are a significant number of examples of true innovation in the way that services are being redesigned and delivered, with many authorities having taken a more strategic approach to their review of how to meet budget cuts.

The biggest savings delivered to date have resulted from major changes, such as re-letting contracts or making material changes to services, changing opening hours for household waste recycling centres (HWRCs) and charging for garden waste collections. Other savings have been identified through delivering efficiencies, benchmarking service performance, streamlining working practices, making better use of resources and buildings, buying services more effectively and maximising the benefits of new technology. Importantly, the most successful authorities are continuing to think about the 'opportunities' afforded by the challenge from austerity. Rather than focusing on cuts, they are considering what could be done to innovate their services, their management and their operations.



What does the future hold?

Learning lessons about what efficiency measures have been successful and what problems have been overcome will be crucial given that the majority of those surveyed believe that they will face further budget cuts for between three and five more years. This is particularly true for those authorities that may have so far deferred any significant changes or cutbacks. The key messages include:

- **Austerity is not uniformly bad for service provision.** As well as cost per unit reductions, there are examples of enhanced service provision, coverage and performance. In addition, enhanced relationships with partners and the public are evident. Moving forward, local authorities need to share their learning, and seek support and advice from relevant organisations. They should also identify solutions that are fit for purpose in the local situation – that means working with the whole supply chain and with service providers and partners.
- **Invest time in planning.** Where possible, any service changes should be considered early. Local authorities need to take a strategic view of the opportunities rather than implementing piecemeal or short-term measures to reach the required saving.
- **Deliver services that people want and are willing to prioritise and use.** Local authorities should be transparent about plans, consult and engage with residents, and take them on the difficult journey that the authority faces. Change is rarely welcome, especially to frontline services, but local authorities will need to be able to communicate the reality of the situation and ask for support from their residents.

Local authority waste, recycling and street cleansing services will never be the same again. Austerity has brought significant challenges. However, the research has identified many examples of authorities demonstrating resilience, rising to the challenge and innovating out of austerity. The next five years will see a continuing trend of cuts, but it is our hope that shared experience and partnership working will see authorities continuing to evolve their services efficiently, with the public at the heart of their design and delivery.

The full survey results can be found in a standalone appendix and, to support local authorities and their partners, we have created an '[Opportunities Checklist](#)' that provides examples of measures and associated cost savings to assist in the decision-making process. Linked to these opportunities are examples of useful guidance and case studies that may be of interest. Both documents can be found on the [CIWM](#) and [Ricardo-AEA](#) websites.



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1 The state of the nation – in the grip of austerity



Pick up a paper any day of the week and there will be a story on 'Cash strapped councils'. Our public sector is in the grip of austerity – **local** impacts as a result of the **global** economic crisis.

The measures implemented by our respective governments to reduce public expenditure, particularly since 2010, have touched everyone. This is because everyone relies in some small part on the services that our local authorities provide – for 52 weeks a year our waste and recycling is collected, treated and disposed of, and our streets are kept clean.

In these difficult economic conditions, the length and depth of the cuts have been a significant challenge for local authority officers, elected members and their service teams, and one that we are only part way through.

But, it is not all doom and gloom. These cuts offer local authorities a significant opportunity, which many have grasped. Authorities are thinking differently, implementing new business models, and consulting and engaging with residents with honesty about the scale of the challenge they face.

1.1 Documenting the response to the cuts

Anecdotal evidence suggests that local authorities are looking for cheaper solutions and implementing budget-saving measures. However, no one knows the true extent of planned and implemented service changes or their impact on residents, local environmental quality and recycle quality.

The Chartered Institution of Wastes Management (CIWM) and Ricardo-AEA have worked together to document the impacts by conducting a major survey of local authorities in the UK and the Republic of Ireland (ROI). They have gathered case study data with the aim of better understanding how austerity is impacting local authority waste, recycling and street cleansing services and, consequently, local communities, public health, and providers of goods and services.

Local authority officers with responsibility for waste, recycling and street cleansing, and organisations that work with local authorities in delivering these services, were asked to respond to an online survey (conducted between 10 September and 8 November 2014).



A total of 183 local authorities were represented in the results (39% of the total number of local authorities across the five nations – Table 1) and 226 individual officers responded with their personal views. Three waste partnerships also responded, which provided insight into the activities of multiple authorities in their partnership group.

Local authority responses were complemented by feedback from 105 people representing other organisations (suppliers of goods and services to local authorities. They completed a similar short survey on the supply chain impacts felt through their business dealings with local authorities. These responses included commentary from waste management contractors and suppliers of goods to local authorities (such as bin and vehicle manufacturers, academics, consultants and suppliers of technical support services).

A number of one-to-one interviews were also conducted with local authorities and other organisations to gather case study information and further insights into the impact of the cuts.

Case studies are provided throughout the report and also within the ‘opportunities checklist’¹ – a standalone tool to support local authorities in identifying potential opportunities for savings and innovation. The checklist has been developed from the responses to the survey and interviews conducted.

The results of this study provide an authoritative and timely insight into the tough decisions that have been made and those that still need to be made to hit the savings targets required for the future. Austerity measures have been the waste sector’s toughest challenge to date. The resilience, flexibility and entrepreneurial spirit of waste managers across the sector is evident from the scale of change that has been required. Local authority waste services will never be the same again – this is a permanent change. The services will have to continue to evolve to deliver heightened levels of efficiency, while authorities retain their statutory role. All this has to be done while balancing the needs of the public who are ultimately at the heart of service design and delivery.

Table 1: Local authority survey response by country and council type

Country	Responses as a number and percentage of total authorities				
	Unitary authority	Waste collection authority	Waste disposal authority	Total	Partnership*
England	45 (50%)	72 (31%)	18 (55%)	135 (38%)	2
ROI	2 (6%)	N/A	N/A	2 (6%)	1
Scotland	23 (72%)	N/A	N/A	23 (72%)	0
Northern Ireland	12 (46%)	N/A	N/A	12 (46%)	0
Wales	11 (50%)	N/A	N/A	11 (50%)	0
Total	93 (46%)	72 (31%)	18 (55%)	183 (39%)	3

*Partnerships responding to the survey have not been included in the total number of local authorities figure to avoid duplication of authority response. However, their commentary is included in this report.

¹ The opportunities checklist can be downloaded free of charge from <http://www.ricardo-aea.com/cms/local-authority-opportunities-checklist/>



2 The scale of the impacts – what is your priority?



The economic crisis, which began in 2007/08, triggered the start of significant change across the public sector in the UK and ROI. The effects were first felt significantly within local government in October 2010 when the UK Government announced cuts in public spending to the sum of £81 billion by 2014/15 (HM Treasury, 2010). The aim of these reductions was to decrease the financial shortfall from 8.4% of gross domestic product (GDP) in 2009 to 0.4% by 2015 (Bach and Stroleny, 2012).

These substantial reductions obliged local authorities to review their spending, make changes to the way services were provided and to review what these services entailed. After visiting London, Leeds, Edinburgh and Cardiff in 2013, the Council of Europe held 'austerity measures placed on local government' culpable for councils in the UK finding it increasingly difficult to offer 'essential public services' to its residents (Local Government Association (LGA), 2014). Local government was deemed to be 'faring worse' than national governments and other public sector authorities.

The distribution of funding and the level of cuts implemented vary across the UK and ROI. Examiners from the Council of Europe stated that there was an 'urgent need for a fair and equitable distribution of public money across the United Kingdom'.

It was argued that using the complex Barnett Formula to allocate central-government funding leads to substantial 'uncertainty and effects of unequal treatment' (LGA, 2014).

Just as the split of funding has been different for each of the nations of the UK and the ROI, so too have the decisions on how the funding has been split and allocated to different public authorities.

Therefore, it is important to consider each nation separately. This is because each will have been affected differently by the austerity measures. The decisions made by each nation will have further varied the impact on local government funding.

2.1 Republic of Ireland

The ROI has undergone a radical reform of local government in the past year. Its Local Government Act 2014 saw a new system of municipal districts begin on 1 June, replacing the 80 former town councils. The total number of local electoral areas nationally is 137, while 95 municipal districts have been designated. The municipal district corresponds with the electoral area except for Dundalk, Kilkenny City and Mullingar municipal districts, each of which will comprise two electoral areas; and the metropolitan districts of Limerick and Waterford, which will contain three electoral areas each.



As well as ending a difference in the numbers of town councils, the Government also stated that the changes were intended to 'improve operational efficiency and value for money, with a single county-wide executive and operational structure. The municipal districts will be decision-making entities rather than corporate structures.'

The ROI has also set up two new regional assemblies to deal with spatial and economic planning, and manage EU-funded programmes. These replace the eight regional authorities and two assemblies previously in operation.

There will also be stronger oversight of local authority performance through a new and independent National Oversight and Audit Commission for local government.

Arising out of Budget 2010, the Local Government Efficiency Review Group² was established in December 2009 to carry out an independent review of the cost base and expenditure of, and numbers employed in, local authorities.

The Group, which presented its report to the Minister in July 2010, made 106 recommendations (in effect a menu of options for consideration to be pursued in the short, medium and long terms), and identified a range of efficiency savings and other revenue options. These totalled €511 million (€346 million in efficiencies and €165 million in improved cost recovery and revenue raising). A number of the recommendations will require legislative change or action supported by agencies in the public sector other than within the local government system.

In terms of waste management, €5 million of efficiencies were identified through regional approaches to technical support, waste enforcement, waste permitting and a simplified approach to waste charging.

2.2 England

For the period 2010/11 to 2014/15, the Department for Communities and Local Government (DCLG) experienced a 26.5% real budget reduction (the average across Government departments was 8.3%).

A further budget decrease of 11.5% (against an average of 2.1% cuts) was placed on DCLG for 2014/15 to 2015/16 (Institute for Fiscal Studies (IFS), 2013). Over the four-year period, this resulted in a reduction of 36.6%, which was the most significant reduction to a Government department.

Consequently, local government in England was particularly adversely affected by these cuts. The reduction in public spending was filtered down to English local authorities in the form of a £7.6 billion real-term decrease in funding from 2010/11 to 2014/15 (National Audit Office (NAO), 2013).

This was an average 26% decrease in central Government funding to councils over the four years – although HM Treasury claims that 'once the Office for Budget Responsibility's (OBR) projections for council tax are accounted for, this reduces to only 14%' (HM Treasury, 2010).

The Local Government Association (LGA) described the 2010 Comprehensive Spending Review and ensuing Local Government Finance Settlements as the 'toughest in living memory' (The Guardian, 2010). The Joseph Rowntree Foundation's Austerity Programme paper 'Coping with the Cuts? Local Government and Poorer Communities' reports that this is not even the complete story, because councils have the additional challenges of increasing costs and demands being placed upon them (Hastings et al, 2013). This is significant in the local authority waste service where landfill tax has been increasing by £8 per tonne since 2008, to a total of £80 per tonne in 2014/15 (from an initial fee of £7 per tonne of active waste in 1996).

The Audit Commission identifies the difference in the change in Government income to that for the various local authorities in its 'Tough Times 2013' report. Metropolitan district councils are seen to have been most severely affected by the 2010/11 to 2013/14 cuts, with an aggregate reduction of 22.5%, while county councils were least affected, with a 16.4% reduction.

The difference in proportions of funding reduction between types of authority is not the only variation in local authority funding in England; the extent of funding reduction has also varied by councils' levels of deprivation. All central Government grants (apart from those ring-fenced for education) were reduced by 13.3% in real terms in the two years from 2009/10 to 2011/12 (IFS, 2012). As a result of cuts having been proportionally larger for councils that previously had more substantial funding from Government, councils that have the most deprived residents have seen the most significant reductions in funding in relation to spending since 2010/11 (Audit Commission, 2013). The Government established a transition fund for 2011/12 and 2012/13 to make sure that a reduction in any local authority's overall spending power was capped at 8.8% (in 'nominal terms') for each of the two years (IFS, 2012). Despite this, cuts in spending have been absolutely and proportionally larger in urban and poorer areas of England (where grants and expenditure were higher in 2009/10) than in wealthier sub-urban and rural regions (IFS, 2012). This has resulted in London and the north of England suffering larger cuts than those in the south (IFS, 2012).

2.2.1 Funding for 2015 onwards

The LGA released a response³ to the Local Government Finance Settlement on the 18 December 2014. It stated that councils across England would receive 8.8% less funding from Government to run local services in April

² <http://www.envirom.ie/en/LocalGovernment/LocalGovernmentEfficiencyReviewGroup/>

³ http://www.local.gov.uk/media-releases/-/journal_content/56/10180/6841467/NEWS



2015. This means additional savings of £2.6 billion would need to be found from council budgets for 2015/16.

The cut brings the total reduction in core Government funding to councils since 2010 to 40%. Over this period, councils will have had to make a total of £20 billion worth of savings.

The LGA also stated that research it conducted found that 60% of councils said they were considering stopping at least some services next year because efficiency savings are fast running out (based on the expected cut for 2015/16 set out in last year's Local Government Finance Settlement).

2.2.2 Support

A number of different bodies/organisations are providing technical support to local authorities, including the Waste and Resources Action Programme (WRAP), which also operates in Northern Ireland and Wales, and Local Partnerships, which also operates in Wales. These organisations receive some Government funding. Technical advice provided, ranges from procurement and joint working through to communications and service reviews.

2.3 Scotland

There are 32 local authorities in Scotland, all of which are unitary authorities and in receipt of direct funding from the Scottish Government. The Scottish Government removed ring-fencing from the monies distributed, with very few exceptions. Relating to waste and recycling, the Strategic Waste Fund was introduced in 2000/01, but ring-fencing was removed in the 2008/11 settlement, and no specific waste and recycling funds have since been provided by the Scottish Government directly to local authorities.

In its report 'An overview of local government in Scotland 2014', Audit Scotland stated that the total income for Scottish local authorities in 2012/13 was the same as that for the previous year (£18.6 billion), that spending on services in 2012/13 was 1% lower than the previous year and that 'the proportion of spending on individual services was broadly the same as 2011/12'.

2.3.1 Funding and support

Zero Waste Scotland receives direct funding from the Scottish Government to help drive progress towards meeting the aspirations of Scotland's Zero Waste Plan (ZWP) published in 2010.

The ZWP is an ambitious document that sets out a number of actions and targets, including:

- 60% recycling of household waste by 2020.
- 70% recycling of all waste by 2025.

The Waste (Scotland) Regulations 2012 now underpin many of the ZWP actions through the introduction of statutory requirements on local authorities, businesses, third sector and other public sector organisations. New obligations, requirements and considerations include:

- Food waste collections.
- Separate collections of recyclates.
- Ban on the discharge of food waste to drain or sewer (known as the macerator ban).
- Ban on landfilling materials collected separately for recycling.
- Requirement to pre-treat 'black bag' waste before thermal treatment.

To meet these new requirements, local authorities have had to implement new collection schemes (food waste), expand existing schemes to include a wider range of materials, and some have refocused their treatment and disposal procurement exercises.

The introduction of new services or, indeed, the introduction of changes to existing services requires additional revenue and, to some extent, capital investment from local authorities, against a backdrop of budget cuts and austerity measures.

To assist local authorities, Zero Waste Scotland provides a range of different funding and support opportunities to local authorities (as well as a range of other organisations).

The support has included:

- Communications support (food waste and service change).
- Food waste implementation.
- Tenement inventories.
- Procurement support.

This has allowed local authorities to obtain funding and technical expertise external to their own organisation, which reduces the financial burden of complying with waste regulations.

2.4 Wales

Local authorities in Wales could face a £460 million budget shortfall by 2015/16 according to the Welsh Local Government Association (WLGA)⁴. With the prospect of more cuts to come, spending plans in Wales are expected to make this the tightest seven years for public service spending since the 1940s. Despite the cuts that have been identified, recycling continues to rise in Wales with the latest target of 52% passed and progress towards this year's target of 58% ongoing. The majority of Wales has weekly food waste and dry recycling collections.

⁴ News Release £175 million down and counting, councils say 'local services will be cut' WLGA 08/10/13



For many, this has seen a significant drop in the amount of residual waste that residents put out for collection on a fortnightly basis. But:

- Will this annual increase in recycling be able to be sustained?
- Are the targets that were set several years ago still appropriate?
- What will the ongoing debate about reorganisation and the alleged efficiencies have on delivering these services?

2.4.1 Reorganisation in Wales

Also, against the economic turmoil of austerity, the Welsh Government is considering changes to the whole structure of local government in Wales. This could either relieve the economic pressures faced by local authorities or exacerbate them. The Independent Commission on Public Service Governance & Delivery⁵, which was established in April 2013 by the First Minister, was set up to examine how public services are governed (that is, how they are held accountable for their performance and how services are delivered most effectively to the public).

The Commission was chaired by Sir Paul Williams, and included political representation and wider representatives from the housing and private sectors. The Commission reported on its findings in January 2014⁶. It recommended that local authorities in Wales should merge, using existing boundaries, leaving 10, 11 or 12 local authorities rather than the current 22. The report said change must be implemented 'quickly and decisively' and went on to state that 'We have reflected very carefully on our findings and conclusions on this issue. We are well aware that what we propose will incur costs, and will be disruptive and controversial – but we are convinced that doing nothing would be worse'⁷.

This could lead to major changes in how services are delivered – including waste management. If local authorities combine, there is the likelihood that, in some areas, services will change to ensure a consistent approach to delivery.

There has been no haste in the delivery of the changes proposed by the Commission. According to the WLGA 'If it doesn't happen until 2020, the scope for any further efficiency savings from the reorganisation will be extremely limited because of the scale of cuts that will have taken place in the interim period'⁸.

The WLGA has been exploring an alternative view, which is to establish the equivalent of combined authorities that take some functions from the present authorities and establish four regional bodies.

This would require legislative change, but is considered by the WLGA to be a quicker way of creating savings through efficiencies while enabling some services to continue in local government that might otherwise cease to be provided. These combined authorities would be focused on strategic activity (such as strategic planning of land use, transport, waste and housing). As such, they would provide a strong interface between national policy development and local delivery. They would be committed to improving the efficiency and outcomes of public services delivered by local government singly and in partnership with other public services such as health.

2.4.2 Funding

A public misconception is that council tax funds all council services – in fact, it only covers about a fifth of expenditure. The net current expenditure on the environment in Wales was down 6% in real terms between 2009/10 and 2013/14, but this does not take account of grants received. Waste management in Wales is subject to a range of funding including the hypothecated Sustainable Waste Management Grant (SWMG)⁹, which has been the foundation upon which recycling services have been developed. Since 2001, the Welsh Government has supported local authority activity to meet recycling targets by providing SWMGs. The grant has been allocated to local authorities using the waste collection and disposal elements of the local authority Standard Spending Assessment. In 2001/02, the total amount of SWMG awarded was £1.5 million, reaching a peak in 2010/11 of £73 million.

The last two years has seen a slight decrease in SWMG – in 2011/12 it was £72 million and in 2012/13 it was £71 million. Further cuts are expected. It should be noted that local authorities also support the services by topping up funding for recycling services.

Welsh Government is also providing financial support and advice to local authorities in relation to the much needed infrastructure for residual¹⁰ and food waste treatment¹¹. Local authorities are working in sub-regional 'hubs' to procure infrastructure together, driving efficiencies in the procurement process and also through economies of scale for the material.

⁵ <http://wales.gov.uk/topics/improvingservices/public-service-governance-and-delivery/remit/?lang=en>

⁶ <http://wales.gov.uk/docs/dpsp/publications/psgd/140120-psgd-full-report-env2.pdf>

⁷ *ibid*

⁸ Interview with Tim Peppin Environment Director WLGA 12/08/14

⁹ <http://wales.gov.uk/about/cabinet/decisions/dr2013/julsep/enviro/ad1160/?lang=en>

¹⁰ http://wales.gov.uk/topics/environmentcountryside/epq/waste_recycling/infrastructure/residual/?lang=en

¹¹ http://wales.gov.uk/topics/environmentcountryside/epq/waste_recycling/infrastructure/foodwaste/?lang=en



Many of the new facilities are now operational or going through the final commissioning stages, providing Wales with a network of facilities that make geographical sense.

Welsh Government has also implemented a collaborative change programme to help ensure that Wales meets the higher recycling targets set out in Towards Zero Waste and the delivery model detailed in the Municipal Sector Plan (Part 1) published in March 2011. The programme supports change through funding, and local authorities are encouraged to improve their recycling service to better engage residents and increase recycling rates. For example, the fund has recently provided Merthyr Tydfil County Borough Council with £2 million of investment¹² to enable it to invest in new vehicles, containers, depots and equipment to move to a kerbside sort system of recycling.

2.5 Northern Ireland

Northern Ireland is split into 26 local authorities, all of which are unitary. The authorities are organised into three waste management areas:

- arc21: 11 local authorities in the east.
- Southern Waste Management Partnership (SWaMP): eight local authorities in the south.
- North West Region Waste Management Group (NWRWMG): seven local authorities in the north west.

Northern Ireland is due to go through a period of local authority reform and restructure, with the 26 local authorities with limited powers being reduced to 11, but having most of the functions of an English district. This will come into effect on the 1 April 2015¹³. However, it is not clear what impact this may have on waste services, plans or strategies.

At present, each local authority receives an annual settlement from the Northern Ireland Assembly with additional funding available from the Department of Environment (NI). This provides a revenue stream to support the development of waste and recycling infrastructure, which will drive sustainable waste management and the achievement of targets. The three waste management areas have been allocated funds on this basis to progress waste infrastructure procurement projects on behalf of their respective constituent councils.

The public sector accounts for 27.7% of employment in Northern Ireland, so budget cuts resulting in unemployment would have a dramatic impact on local communities.

2.6 How have authorities responded?

Local authorities have, as expected, responded in different ways to central Government cuts. Some have set out to achieve large targets spanning a number of years, while others have adopted a constant cycle of cuts as internal budgets are shuffled. Decision-making for apportionment between departments has been dependent on local priorities, with a small number of local authorities not requiring budget reductions in their waste, recycling and street cleansing services.

Savings identified have been through driving efficiencies, streamlining working practices, making better use of resources and buildings, buying services more effectively and maximising the benefits of new technology.

In environmental services, most authorities have been through a review process where options are developed with associated savings, and these are then put forward for review and sign off. Some authorities have requested that officers conduct a statutory review process, where services are taken back to the statutory minimum (on paper) to try and identify which services would go and which could be retained.

Short-termism has been evident in some of the cuts made, with examples cited including postponing infrastructure development in favour of short-term contracts and removal of communications budget lines. However, many authorities have taken a more strategic approach to their review of how to meet their budget cuts.

In our survey, 69% of respondents stated that their department's budget had been affected by reductions in Government funding in the five years up to 2015. Only 10% of respondents stated that there had been no change and 3% indicated a budget increase. The response spread was almost identical for changes planned or expected in the next five years. When asked about how the environment department had been impacted compared with other departments, 63% stated that they had been impacted more or the same.

2.6.1 Changes to the workforce – restructure, restructure, restructure

For those working in or with local authorities, the most obvious impacts of the austerity measures concerned staff. Officers have reported having to apply for their job multiple times during restructuring programmes, with some senior officers even producing savings plans that will effectively see them made redundant. Staff have taken on additional work as teams have shrunk and positions have not been filled. Some staff are ultimately taking on more than they can deliver and have reported that, if this continues, some of their services will reach breaking point.

¹² <http://wales.gov.uk/newsroom/environmentandcountryside/2014/140811merthyrrecyclinginvestment/?lang=en>

¹³ http://www.doeni.gov.uk/local_government_reform



Staff changes were highly evident in the survey responses. A total of 66% respondents stated that their department had seen restructuring activity and 68% commented that vacant posts were not being filled. Constant restructuring can have many negative impacts on the workplace, one of the largest being on morale. Front-line staff recorded a 61% reduction in morale and back-office staff a 66% reduction in morale.

Pay freezes were also commonplace among respondents, with 61% commenting that they were in place. Over half of the respondents also noted that there had been back-office job cuts due to austerity measures with a lower percentage assigned to front line (52% compared with 37%). This variance was expected because front-line staff are the most visible element of these services – the ‘face of the local authority’ and, as such, cuts to the front-line staff would be more visible to the public, and more open to criticism and feedback than those of back-room teams. However, cuts to back-office staff can still impact on the ability of front-line staff to undertake the service. Back-office staff play an important role in supporting front-line services and ensuring that they run in a smooth and efficient manner.

Investment in career professional development of staff has also been hit by austerity. A third of respondents commented that training had been reduced, 38% responded that trade magazine subscriptions had either been removed or reduced and 23% stated that payment of fees for membership of professional bodies had been removed or reduced. This is not unexpected, but is a worrying trend for the future of the sector, particularly if it results in a reduction in professionalism, which could result in adverse environmental impacts.

A combination of staff cuts and reductions in career professional development and training means increasing pressure on a smaller number of staff members. Those in post may not initially have the right skills and experience for the position, and may be burdened with additional workloads. Sickness levels may also increase due to pressure and stress. In some of the local authorities spoken to, it has been observed that officers who were previously responsible for service monitoring and communications, are now having to pick up new service procurement and vice versa. This may be an unintended consequence of the austerity measures, but is evidence of it happening. It could be that local authorities will need to spend more money in the future to ‘buy back’ key experience and skills that they are missing. Alternatively, they may have to rely on consultants and interim officers to help get through key stages of service innovation and roll-out when the core team is too stretched to cope.

Authorities have also been trying to automate systems to reduce resources and drive efficiencies. A total of 43% of respondents stated that their authority had moved customer contact services online and 38% highlighted that back-office systems had been automated.

Other common service changes are listed in Table 2.

Table 2: Common service changes – staff

Common service changes to drive efficiencies and generate savings – staff

- Use of consultants and/or local authority secondments as a way of addressing skills gaps – areas mentioned included procurement, and material processing and sales.
- Increased number of shared posts (for example, shared transport manager or recycling officer between more than one local authority).
- Automation of administrative processes.
- Use of technology to reduce ‘on-the-ground’ monitoring (for example, use of personal data assistants (PDAs) or tablet computers).
- Increased use of agency staff.
- Reduction in hours.
- Increased scope of job role.
- Creation of multifaceted teams.

North Tyneside Council is a good example of where teams have merged to provide greater flexibility for front-line services.

North Tyneside Council

Creating a local environmental services team

Over the past six years, North Tyneside has gradually integrated its services to create a Local Environmental Services Team. This has allowed teams to be merged and work more closely together. Each area still has its speciality, but front-line work (such as driving) can now be shared across the wider team. This provides savings in times of emergencies (such as bad weather) and by covering leave within the team rather than using agency staff. Management positions have also been reduced, providing savings in salaries.

A four-day week was also introduced for refuse and recycling services, making savings in staff costs and allowing vehicles to be used more effectively.

2.6.2 Engaging the public – how to do more with less

When times are hard, it is frequently the communications budget that is hit first, as it is often perceived as non-essential when it comes to service provision – unlike vehicles and manpower. However, this can lead to delayed impacts where cuts in the first year have limited impact on service performance, but continued cuts start to stagnate recycling rates.



Residents need to be reminded how to use a recycling scheme and why it is important, and this communication needs to happen regularly, particularly if the area has high levels of transience. For local authorities that are making changes to services, communications is an essential element of the process. The public cannot be expected to understand what to do with their recycling bin or box if it has not been communicated to them effectively.

For service activities, almost half of the respondents stated that there had been a reduction in their communications budget. Schools education programmes (39%), enforcement activities (24%) and waste minimisation activities (26%) have also suffered with respondents noting a reduction in activities. For waste minimisation activities, respondents highlighted that the focus had shifted to being target driven rather than general awareness raising.

Public satisfaction for services was also reported to be decreasing – 25% of respondents stated that they had seen a decrease in satisfaction relating to waste services (for a range of reasons) and 28% stated they had seen a decrease relating to street cleansing services (mainly around increased levels of litter).

Examples of common service changes related to communications and engagement activities that were highlighted by survey respondents are detailed in Table 3.

Table 3: Common service changes – communications and engagement

Common service changes to drive efficiencies and generate savings – communications and engagement

- Delivering focused communications campaigns.
- Highlighting cost messages – savings to the authority.
- Focus on increasing recycling and reducing contamination.
- Reduction in education services.
- Consultation with the public on cuts – particularly changes to household waste recycling centres (HWRCs).

Some of the limited communications budget available is being focused on areas that have the potential to provide the greatest savings – mainly increasing recycling and reducing contamination. For example, over the last couple of months, Wandsworth Borough Council has posted leaflets to all residential properties to highlight the fact that over 7,500 tonnes of paper are put into Wandsworth's rubbish bins every year. The leaflet points out that, if this was recycled, the council could save £900,000 a year, which could be spent on other council services.

Rochdale Council has been taking the contamination message to its residents with great success.

Rochdale Council

Right stuff. Right bin

In partnership with Recycle for Greater Manchester, Rochdale Council ran a pilot communications campaign to help reduce recycling contamination.

The 'Right stuff. Right bin' pilot scheme began in September 2013 to highlight contamination in bins. The campaign involved door knocking, leaflet drops and media advertising to reach as wide an audience as possible. Recycling crews left a green 'Right stuff, Right bin' tag on bins that contained the correct items, thanking residents for recycling correctly or a red 'Wrong stuff, Wrong bin' tag to let residents know they had got it wrong and to remind them which items can go in each bin.

Recycling officers also go through the 'wrong' bins with residents to help educate them in their correct use. Contamination caused by putting the wrong items in the wrong bin cost the council £25 million a year.

The results of the pilot were outstanding with contamination reduced by 61% for co-mingled recycling and reductions seen in other streams too. Among the target audience, the recycling rate for co-mingled recycling waste increased by 49%, and for paper and card it increased by 7%. Following the success of the campaign, it was rolled out across Greater Manchester, the overall results are to be finalised in May 2015.

The campaign delivered significant savings through landfill diversion between 20 September 2013 to 15 November 2013 of:

- Co-mingled recycling:
£295 x 21 tonnes = £6,195
- Paper and card:
£295 x 18 tonnes = £5,310
- Food and garden:
£295 x 37 tonnes = £10,915
- **Total:**
£295 x 76 tonnes = £22,420

Where £295/tonne is the cost of disposal for one tonne of residual waste.

It is hoped that the savings will continue to increase as residents develop the right habits.



2.6.3 Waste and recycling collection services – going back to basics

In a waste collection service, the largest areas of expenditure are generally staff and vehicles. Therefore, if the number of staff or hours can be reduced and the number of vehicles reduced or made to work for a longer period (sweating your assets) then efficiency savings can be delivered. With this in mind, 58% of respondents had conducted rerouting or rationalising collection rounds and 49% were extending the use/life of equipment (including double shifting on vehicles).

Other areas where changes were reported to have been made included investigating potential revenue streams for services, such as implementing charging for garden waste collections and revisiting charges for bulky waste collections (including outsourcing to the third sector).

Clinical waste (waste arising from healthcare activities) is also an area where efficiencies can be made by ensuring waste materials are correctly consigned. Many authorities are reviewing their approach to clinical waste and are working with local clinical commissioning groups (CCGs). This is to ensure that there is a good understanding of responsibilities for waste management between the local authority and healthcare workers (such as district nurses and health visitors). Improvement and Efficiency West Midlands developed a useful toolkit to support local authorities in addressing this complex service¹⁴.

Examples of common service changes for collection services are shown in Table 4.



Increased working with the third sector was a strong theme throughout the survey – a growing number of local authorities have let their bulky waste service in whole or part to a third-sector organisation. A good example of this includes Guildford Borough Council working with the Surrey Re-use Network (SRN), where the bulky waste service is delivered in its entirety (including booking) by SRN under a service level agreement.

Blackpool Council has a similar system in place for its bulky waste collection and for part of its recycling collection service.

Table 4: Common service changes – collections

Common service changes to drive efficiencies and generate savings – collection	
<ul style="list-style-type: none"> • Rerouting collection rounds to drive efficiencies. • Reducing collection frequency of residual waste to encourage recycling. • Strong enforcement policies at the kerbside including no side waste (excessive waste), rejection of contaminated bins and limits on residual waste capacity. • Sweating assets – using vehicles for longer before procuring new ones. Using older vehicles on garden or commercial waste collection rounds. • Clinical waste – ensuring that waste is correctly consigned and that non-infectious waste is not being disposed of via a hazardous waste treatment route. • Double shifting vehicles – particularly trade and garden waste rounds with core refuse and recycling rounds. 	<ul style="list-style-type: none"> • Charging for garden waste collections. • Outsourcing bulky waste contracts to third-sector providers to enhance re-use. • Removing food waste collection services. • Introducing food waste collections with alternate weekly collection for residual waste. • Partnership working with nearby authorities. • Changes to working practices. • Reducing collection frequency (typically of residual waste). • Decrease residual waste bin size. • Increased range of materials being collected. • Sale of domestic waste collection service (ROI).

¹⁴ The toolkit is available by request from LARAC



Blackpool Council

Recycling collection

Following disaggregation and retendering of the collection contract, a third-sector organisation (Helping Hands) now carries out paper and card recycling collections.

This element of service previously cost of about £68,000. Helping Hands delivers this service for about £40,000, providing an annual saving of £28,000.

A 3.5-tonne caged vehicle was transferred to Helping Hands as part of the contract. Helping Hands is responsible for bin replacements, bin delivery and maintaining stock.

Bulky collection

The bulky collection has also moved to a third-sector organisation. The authority had always charged for collecting bulky waste.

While the (restructured) charging system remains in place, residents requesting a service can now select specific days and time slots for collection. The booking system means that residents do not have to leave items out in bad weather, which could result in damage, so preventing re-use or limit repair.

The service also allows operators to enter households to collect items, not only increasing accessibility, but also preventing possible damage to the items. The service has become much more customer focused. In 2013/14, the bulky service collected 215,486 tonnes, of which 55.5% was re-used and recycled.

In addition, the bulky collection works in partnership with the local authority's waste department and social fund. This partnership allows certain items of furniture to be distributed to those in need free of charge to the resident.

Although funding for enforcement activities has reduced, authorities are finding other ways of enforcing policy at the kerbside including lids down policies and no side waste policies for residual waste collection services. This is particularly important for changes to services that rely on reducing residual waste capacity such as alternate weekly collection systems or the three-weekly collection system recently introduced by Gwynedd Council and Falkirk Council.

Gwynedd Council

Gwynedd Council is expecting a cut of £100,000 from the SWMG provided by the Welsh Government. In addition, it is facing an overall budget cut of £3.8 million.

As a result of these cuts, and to ensure the Council hits the recycling targets and does not fall foul of its landfill allowance, it decided to implement a three-weekly residual waste collection service.

The scheme has been in operation since the end of September 2013 in the Dwyfor area, which consists of 5,000 homes – Gwynedd has a total of 61,000 homes.

Operatives work 12-hour shifts and the service is delivered Monday to Saturday.

Research funded by the Welsh Government has estimated savings of £500,000 mainly through vehicles and staff cuts. No new vehicles were purchased and stackable boxes have been provided to residents. The containers were rolled out before the collection frequency change.

Politically, the change received total support from the Council cabinet. However, a few backbenchers were not initially supportive. Residents did start a petition (over 1,000 signatories), but that has become far less active since the start of the scheme as residents have become used to using the new system.

The number of complaints in comparison to the population served has been minimal since the start of the scheme.



Falkirk Council

Sustainable waste collections

In consideration of austerity and efficiency measures, Falkirk Council has sought positively to:

- Introduce a 'Sustainable Waste Collection Service' – making best use of all waste collection services.
- Take the opportunity to change behaviours – to highlight the consequences of choice and help the public understand the impact of their waste disposal and recycling choices.

The Council has introduced a sustainable waste collection service, focused on diverting waste from landfill and recycling more. The scheme includes:

- A move to a three-weekly residual waste collection service. Falkirk Council was the first UK local authority to do so.
- Weekly food waste collections.
- Fortnightly recycle and garden waste collections.

The sustainable waste collection service was rolled out to 18,000 properties in April 2014, 21,000 in October 2014 and the final roll-out to a further 25,000 properties will be completed in March 2015. In supporting the service, Falkirk Council has undertaken an extensive public engagement and information initiative with leaflets, roadshows and a telephone customer care service, which had direct involvement of the Council's waste officers.

To help residents recycle more, larger bins have been made available. Those residents who request larger residual bins are asked to complete a waste diary and demonstrate that they are making best use of the recycling and residual waste collections available.

Requests for additional recycling containers has risen greatly (200% for glass, waste electrical and electronic equipment (WEEE) and batteries; and 500% for paper, card, metals and plastics).

Falkirk's sustainable waste recycling service has, to date, resulted in a reduction of 400 tonnes per month to landfill. On average, the amount of waste discarded by households has reduced by 2kg per week and food waste tonnage recycled has increased by as much as 75%.

When the final phase is completed, 9,000 tonnes per year of material will be diverted to recycling, saving £385,000 per year.

Rochdale Council is also focusing on residual waste capacity by ensuring that residents have the correct capacity and do not have additional bins.

Rochdale Council

The removal of unauthorised additional bins

Rochdale Council is running a campaign to remove unauthorised additional bins from properties. The scheme has been completed across 30 collection rounds, retrieving over 5,000 bins. This has resulted in an approximate 3% increase in recycling rate, which is a significant saving. The scheme will be completed for the remaining 26 collection rounds, hopefully resulting in further recycling increases in the coming months.

Although some local authorities are considering the introduction of food waste collections, some authorities, after reviewing cost of service and tonnage collected, have opted to remove their food waste collection services, such as Luton Borough Council

Luton Borough Council

Cessation of food waste collections



In July 2007, Luton Borough Council introduced a weekly food waste collection service to a pilot area servicing 8,400 properties, with funding provided by WRAP. A further round was added to the service, with a view of making the service more cost-effective, bringing the total number of households receiving the service to approximately 12,000.

However, due to falling tonnages collected, the service was found not to be cost-effective, despite doorstep campaigns to increase participation and capture. The Council opted to cease the service in March 2013 as it was no longer financially viable to continue to operate it. In its final year of operation, the service collected only 420 tonnes of food waste.



Often, one service change is linked to another. This is the case for an authority that introduced a chargeable garden waste service combined with double shifting of vehicles.

Borough Council, England

Charging for green waste collection and double shifting vehicles



In 2012, the authority introduced a chargeable, opt-in garden waste collection service to all residents. It operates from March to November. Prior to 2012, the garden waste service was free, but was only open to a third of the borough and was funded through a green grant. Therefore, there was no charge through council tax. The current charge is £31.80 for a year – the introduction of the charge was well received by residents with very few complaints made.

When the charge was introduced, the uptake dropped slightly. However, it has steadily increased subsequently. Although the number of participant households decreased, the tonnage collected increased from 4,830 tonnes in 2011 to 6,299 in 2014. The collection timeframe was extended by a month and now operates March to November.

Garden waste is collected in the afternoons and evenings allowing for existing refuse and recycling vehicles to be used (once they have finished their morning collection round). The roll-out of the garden service to all residents would not have been possible without being able to 'double shift' the vehicles as the cost of additional vehicles would have been prohibitive.

Charging for garden waste is a common theme among local authorities responding to the survey. Cambridge City Council has taken the approach of charging for additional bins. It has also implemented service efficiencies through changing collection at its bring sites.

Cambridge City Council

Garden waste charging and bring sites

Cambridge City Council operates a garden waste collection for all households. Prior to October 2014, households could request a second garden waste bin free of charge. Due to budget cuts, in October 2014 an annual charge of £30 was introduced for households wishing to use a second bin. Since the charge was introduced, there has been a drop in the use of the second bin. There are now 900 households signed up to the second bin collection, a decrease of over 50% of the total users (previously 2,500). Some of the bins have been surrendered and second bins are now only collected from those who have paid the fee. It is too early to analyse the impact the introduction of this charge has had, so it is not yet clear whether green waste is now being taken to the HWRCs, being composted at home or being placed in the residual bin.

Bring sites have been changed to co-mingled containers to be consistent with household collections. This allows the same vehicles to be used for collection, so reducing the associated collection costs. No changes in the use of the service have been witnessed. It is hoped that the co-mingled option will increase material capture.

The use of in-cab technology is becoming increasingly popular and is often requested as part of procurement processes for collection services. Although an invest-to-save option, it has resulted in labour savings, including more accurate reporting, which can mean a reduction in monitoring. Some authorities are now exploring whether the use of automatic mail-outs when residents have placed the wrong materials into their recycling bin/box will help to reduce repeat behaviour.

North Lincolnshire

Use of technology

In-cab technology and CCTV are being installed on refuse collection vehicles. The in-cab technology will allow operatives to record information that will be automatically fed back to the office, saving time, paper and money. North Lincolnshire has had issues with overfilled, compacted and inaccessible bins. The technology will allow operatives to record reasons for uncollected bins and, in turn, office staff will have immediate access to the information when handling enquiries from residents. The CCTV will also record when a bin has been collected, preventing bins from being refilled and claims it was not collected. The use of technology will help prevent false claims and encourage recycling instead of using residual bins. The technology will also allow the vehicles to receive updates and programmed rounds, so maximising efficiency, reducing mileage, saving time and, ultimately, reducing costs.



Optimisation of routes is often the first option considered by local authorities. It has the ability to generate savings through crew workload balancing and reduction in vehicle numbers as demonstrated by South Ayrshire Council and North Lanarkshire Council.

South Ayrshire Council

Waste collection route optimisation

South Ayrshire Council undertook an exercise, using a software package, to reroute collection rounds, so minimising the use of vehicles and assets, and balancing rounds to give crews even workloads. The collection routes were reduced from 94 to 54. This allowed the routes to be served by three fewer vehicles and made annual savings of around £300,000.

North Lanarkshire Council

Using a seven-day working cycle

In April 2014, North Lanarkshire Council moved from a five-day working cycle to a seven-day working cycle for front-line services in the Waste Management Department. This move was proposed to reduce fleet and fuel requirements through more efficient working patterns and route rationalisation. Total savings have been estimated at approximately £1.4 million and there was no reduction in employee posts in the Waste Management Department. It is also expected that this change will have a positive effect in terms of overall carbon management in the operation.

The Council ensured residents were fully informed about the collection changes through leaflet drops and an accessible public internet database. It believes that this was key to successful engagement with and, therefore, acceptance of the changes by service users. The move has now been fully implemented and has been successful with regards to customer satisfaction, sustained recycling rates and generating the intended efficiency savings.

2.6.4 Household waste recycling centres – a local balance

Another public-facing service is the provision of HWRCs. Managing changes at HWRCs can be a delicate process to communicate as residents may not visit local sites more than once a year, so changes can take more time to implement and require distinct communications.

For those authorities with HWRCs within their boundaries, this has been one of the key areas for them to drive efficiencies and performance, and to implement service enhancements. Savings reported ranged between over £1 million per year for large county councils with multiple sites (often associated with a change in contract)

to between £200,000 and £400,000 per year for initiatives that encouraged a reduction in residual waste and an increase in recycling. For smaller sites, savings of between £20,000 and £40,000 were reported for activities including introducing trade charges or trade waste and recycling services on site.

From the survey results, 45% of the respondents stated that they have been implementing re-use activities on their sites to divert re-usable and repairable materials from landfill. Re-use activities often require close partnerships with the third sector and are an ‘invest-to-save’ activity that involves some capital cost for infrastructure (containers) and officer time. They can generate revenue streams, not only from diversion from landfill, but also, potentially, from the sale of goods in re-use shops. Warwickshire County Council runs a number of very successful re-use shops at its HWRC sites, gaining an annual revenue from providing franchises to successful organisations. Norfolk County Council has a number of small re-use shops that are part of the waste management contract and are operated by trained HWRC operatives. Both models offer different benefits depending on the size of the site and contracts in place for operation.

Reducing opening hours (39%) also featured strongly in the survey responses. This ranged from reducing hours on each of the days the site was open to closing a site for one or two days per week. Hours were chosen to maximise use for local residents and minimise the use of the site by traders, to reduce trade-waste abuse.

Other common service changes are listed in Table 5.



Table 5: Common service changes – HWRCs

Common service changes to drive efficiencies and generate savings – HWRCs

- Introducing permitting schemes for vans and trailers.
- Reducing site opening times and days.
- Closing sites or handing them over to community groups or third-sector organisations to run.
- Re-procuring contracts.
- Introducing contract incentives to increase recycling and re-use.
- Charging for certain material streams including asbestos, tyres, rubble and plasterboard (where permitted).
- Introducing re-use onsite, including re-use shops.
- Introducing commercial waste and recycling services on site.
- Reducing trade-waste abuse through measures including the use of automatic number plate recognition (ANPR), 'meet and greet', and multi-agency approaches (Environment Agency, trading standards, transport police).
- Introducing recycling outlets for difficult to recycle materials (such as mattresses).
- Reviewing free tipping processes for charities and landlord associations.
- Introducing mobile HWRCs to support closure activities and/or to collect materials for recycling.

Re-use and the implementation of re-use shops have been common considerations for local authorities with HWRCs. The ability to divert materials to re-use has environmental, cost and social benefits, and can strengthen partnership working in the local area.

County Council, England**Re-use shop**

In 2013, a new contractor was awarded the contract for the operation of 14 HWRCs, incorporating a profit-share mechanism, enhanced service provision and allowing for savings to be made in some areas. As part of this contract, there is now a re-use shop at one of the HWRCs and re-use containers at all of the County's other HWRCs. The items received in the containers are taken to the re-use shop for onward sale. Indirectly, the profit from these items helps reduce the overall contract cost.

Many authorities are introducing permits:

- For residents to restrict cross-authority boundary/ border tipping.
- For vans and trailers, to limit trade-waste abuse (see case study for Oxfordshire County Council).
- To reduce the amount of waste taken to HWRCs.
- To provide traders access to specific sites for trade waste and recycling facilities.

Oxfordshire County Council**Permitting scheme for vans and trailers**

In 2010/11, Oxfordshire County Council (OCC) introduced a permitting scheme for vans and trailers that use its HWRCs.

The scheme allows van and trailer owners to deposit household waste 12 times a year and is free of charge. It was introduced following abuse of the sites by trade-waste producers and has been highly successful. In the first year, the amount of waste arriving at the sites decreased by over 6,000 tonnes, saving onward processing and/or disposal costs.

Further savings have been realised by the recent transfer to an electronic system, so reducing paper, postage and administration costs.

The authority advertised the new scheme and provided detailed information about permitted/licensed sites where trade waste could be taken. Some residents believed that the scheme would result in increased fly-tipping. The authority has worked closely with local enforcement officers and such an increase has not been witnessed.

A number of authorities, such as Armagh City and District Council, have implemented transparent sack trials. The aim of these schemes is to encourage residents to segregate their materials correctly.

These schemes often need some lead-in time to allow residents to understand what is expected. Similar to this is a bag-splitting exercise where anyone wishing to dispose of residual waste sacks on site must first split the bag to demonstrate to the operatives that there are no recyclables in the sack. This activity can also help to identify trade-waste abuse.



Armagh City and District Council

Transparent sack trial

A one-week trial using transparent bags for residual waste was implemented at Armagh City and District Council's HWRCs. This had no impact on residual arisings, but it was a very short time period. The Council is continuing to ask that residents use transparent bags and site operatives are encouraging the use of the kerbside collection, highlighting where items could be placed for collection rather than taken to the HWRC for disposal. It is hoped that this will encourage residents to segregate their waste more effectively in the future, resulting in diversion from landfill.

Where authorities have limited HWRC provision, they often provide mobile or temporary HWRC facilities. For example, Westminster City Council provides two mobile HWRCs based at a school and outside a tube station. Residents are encouraged to bring bulky items for re-use and recycling. Blackpool Council also has a mobile HWRC – the 'Rover service'.

Blackpool Council

Rover mobile recycling collection

Blackpool Council has just one HWRC, which is located in the north of the city. Through analysis of census data, Blackpool Council identified that approximately a third of residents do not have access to a car, preventing them from visiting the HWRC. Therefore, the Council decided to implement a mobile recycling collection service – Rover. Through private finance initiative (PFI) funding, a vehicle was purchased and kitted out to include racks, shelves and bins allowing for the collection of various items. Rover travels to over 70 designated collection locations on a weekly basis, picking up working and non-working items for re-use, recycling or disposal. Upon arrival at the location, the van plays a jingle to let residents know it has arrived. The van stays for up to 30 minutes. The operatives are unable to help residents bring items to the van, but they will try to accommodate most items where possible. A kerbside recycling collection is available, but Rover will take overflow items if necessary.

The locations and use of the service are regularly reviewed and changes implemented as required.

The cost for setting up the service and running it for 18 months received grant funding and cost around £45,000. This excludes the vehicle cost, which was reassigned internally and refurbished to accommodate the service. Some items are sold in the re-use shop, which is becoming more popular. This brings in an income of between £300 and £500 a month. With the increase in use of the scheme, the revenue is expected to rise.

Combating trade-waste abuse at HWRCs was identified by many authorities as an issue. Some, like North Lincolnshire Council, have invested in new technology to crack down on this abuse.

North Lincolnshire Council

Use of technology

North Lincolnshire Council has experienced illegal activities at its HWRC sites, with valuable waste streams being stolen – when the site is open and closed. Such theft has resulted in a loss of income and, in some cases, incurred costs for repairing damage to property. Most HWRCs are supervised by single operatives, making it harder to identify and deal with trade waste, theft and contamination issues. To combat this behaviour, the Council has recently installed CCTV at all HWRCs which will provide real-time and historical information. HWRCs have also been fitted with ANPR, providing further evidence in cases of illegal activities. The ANPR will also be used to help reduce trade abuse of the sites. Vehicles entering the site on a regular basis and those depositing non-household items will be recorded and 'blacklisted'. When a vehicle enters the site, the ANPR system will notify site operatives by sounding an alarm, allowing them to manage the situation appropriately.

Through installing such systems, it is hoped that illegal activities and depositing trade waste will be stopped, saving authority time, resources and money.

The National Association of Waste Disposal Officers (NAWDO) has been working with its members to share knowledge on driving efficiencies when delivering HWRC services. There are a number of similar activities that could be implemented by many authorities to help deliver savings. Those that have been documented to deliver the greatest savings include renegotiation and re-letting contracts (overall management and material sales), reducing opening times and reducing trade-waste abuse (increased segregation of materials).

2.6.5 Treatment and disposal – gaining value from waste

The treatment and disposal of waste materials can be a large financial burden for a local authority, which is why focusing higher up the waste hierarchy on waste prevention, re-use and recycling are priorities. Gaining value from waste materials can help to generate valuable revenue for an authority, but this can also come with an element of risk associated with the commodities markets.

The survey highlighted that the largest response areas were around the renegotiation of contracts, with 45% of respondents stating that they had made changes on the disposal side and 40% on transfer, treatment and processing.



This approach has benefits for the local authority, but can impact waste management contractors unless a partnership approach is adopted.

Also associated with contracts and infrastructure was that local authorities were reviewing the risk that they take on with contracts. Some were looking at increasing risk (particularly linked to sale of recyclates) and some were looking at reducing risk (linked to infrastructure development).

Indexation was also an area where local authorities believe that they can make savings, with some authorities reviewing (and limiting) indexation provisions in new contracts and (again) carefully considering risk transfer. One authority reported that it had undertaken an 80% commodity value risk on its HWRC and materials recovery facilities (MRF) contracts compared to zero previously.

Another growing trend reported in the survey was the review of recycling credit provision in two-tier areas (waste collection authority and waste disposal authority, such as a county council). Some authorities are looking at ways to reduce any perverse incentives and to work together more effectively with their waste collection authorities to drive up recycling levels.

Other examples of common service changes for treatment and disposal include those in Table 6.

Table 6: Common service changes – treatment and disposal

Common service changes to drive efficiencies and generate savings – treatment and disposal

- Managing risk effectively in contracts.
- Focusing on increasing recycling rates and driving higher quality material capture.
- Diverting organic waste from disposal.
- Bundling contracts to achieve procurement efficiencies and economies of scale.
- Renegotiating current contracts.
- Making changes to the recycling credit system.
- Joint working – particularly on sale of materials.
- Developing new markets for material sales.
- Developing combined heat and power (CHP) facilities.
- Selling spare residual capacity to third parties.
- Seeking short-term contracts for residual waste treatment (such as refuse-derived fuel (RDF) export).
- Delaying/halting infrastructure procurement.

Framework contracts featured in many of the responses provided by local authorities. The general consensus was that if you get it right you can achieve savings. Many waste partnerships now work together in materials consortia to procure, so providing economies of scale.

The benefits of this approach are really down to local markets and interest in the contract. Too much material from one contract may make the treatment facility over-reliant on that source, while another facility may welcome the scale and length of contract available.



Multiple framework contracts for goods are available to local authorities. There have also been examples of other organisations (such as WRAP and London Waste and Recycling Board (LWARB)) procuring goods on behalf of local authorities so that economies of scale can be gained.

Joint working on procurement of residual¹⁵ and food waste treatment¹⁶ contracts are compulsory in Wales. EC procurement processes are being supported by Welsh Government authorities who are working in local 'hub' arrangements to find sub-regional solutions and drive efficiencies through economies of scale.

Joint working was also a common theme, with individual local authorities operating formal and informal partnerships to procure goods and services.

For example, North Tyneside Council and Newcastle City Council undertook a joint procurement for treating their recyclates. The tendering processes attracted a high number of contractors which, in turn, encouraged a more competitive price.

North Yorkshire County Council has made use of a number of different framework contracts for its material streams.

¹⁵ http://wales.gov.uk/topics/environmentcountryside/epq/waste_recycling/infrastructure/residual/?lang=en

¹⁶ http://wales.gov.uk/topics/environmentcountryside/epq/waste_recycling/infrastructure/foodwaste/?lang=en



North Yorkshire County Council

Framework contracts

North Yorkshire County Council has set up two framework contracts to cover residual and green wastes. The Council has entered a contract with AmeyCespa and, upon completion of the Allerton Park energy-from-waste (EfW) facility in 2017, residual waste will be treated there. The current residual waste contract is due to expire in April 2015, leaving a two-year intermediate contract requirement. North Yorkshire researched available capacity in the area and identified treatment facilities that could accept its waste. Following this, the Council let a four-year framework contract and has recently appointed 20 contractors to this framework. The residual waste contract will be let on an annual basis until the Allerton facility is online. The framework contract provides flexibility and encourages competitive bids.

In partnership with York Council, North Yorkshire County Council also let a green waste framework contract, which will end in 2017. The purpose of the contract is to provide flexibility, allowing districts to use it if it meets their needs. The introduction of the framework contract has not achieved cost savings but, through using the framework, green-waste contracts will have a common end date allowing for a more strategic contract to be let in the future.

Local authorities with HWRCs or transfer stations that can accept commercial waste have been revisiting the services they provide to understand whether they could increase their revenue streams and/or deliver efficiencies.

Difficult decisions have been made by some local authorities in terms of their treatment routes. From the survey results, 32% of respondents stated that they were seeking short-term contracts for residual waste treatment (for example, export of RDF). Belfast City Council is maximising the diversion of waste from landfill by focusing on RDF/SRF production to increase value generation opportunities.

Belfast City Council

RDF/SRF production

Belfast City Council is using several MRFs to produce RDF and SRF, with a proportion of residual waste continuing to be landfilled. The management team monitors the percentage of residual waste being produced to ensure that the best balance possible between RDF and SRF production and landfilling can be achieved from the budget available. The Council has had to make a number of challenging decisions in the past year to make sure that it continues to meet the landfill diversion targets, employ technologies higher up the waste hierarchy and keep within budget. This is likely to become more commonplace over the next couple of years as further cuts are made.

As residual waste arisings have slowly reduced, some authorities have been able to capitalise on spare capacity available to them in their treatment and disposal infrastructure. This has either been made available to other local authorities or for commercial waste and recycling.

Borough Council, England

Commercial waste tipping charge

In 2013, a chargeable commercial waste tipping service was introduced at the authority waste transfer station. The service is available on Monday to Friday afternoons and accepts the following wastes:

- General mixed = £122.50 per tonne.
- Wood = £60.00 per tonne.
- Green = £48.00 per tonne.
- Soil/rubble = £18.60 per tonne.

Waste is received over a weighbridge and only vehicles weighing 3.5 tonnes unladen are accepted. There is a minimum charge for waste up to 100kg and it is then banded in 100kg increments. Mixed waste is charged at a higher rate to encourage prior separation and increase recycle quality. Mixed waste cannot be separated and tipped at the site.

The service has been well received as it offers a competitive alternative to commercial sites and offers a lower minimum weight acceptance band.

The charging scheme covers the cost of operating the service and provides a modest income. The tonnages received for each material in 2013/14 are show below:

Total commercial waste	518.56
General mixed for sorting	343.46
Co-mingled recycling	0.82
WEEE	0.04
Green waste	43.60
Soil and rubble	74.96
Plasterboard	0.66
Wood	55.02

Despite the higher charge for mixed wastes, this was the largest stream received. This mixed waste is separated by site operatives and typically contain wood and rubble. The collection of plasterboard, WEEE or hazardous waste is not advertised to discourage this waste being disposed of at the site.



County Council, England

Sale of spare capacity

Following a second EfW facility coming on line in 2013, together with a reduction in residual waste achieved through increased recycling over the years, a small amount of capacity at one of the EfWs was made available to another local authority.

This has benefited both authorities. The authority has reduced its landfill dependence to 2-3%, which has resulted in a reduction in the disposal budget of approximately £5 million.

2.6.6 Street cleansing services – maintaining the street scene

With complaints about cleanliness of local streets and areas reported to be increasing (23% of respondents), public satisfaction in cleansing services reducing (28%) and litter perceived to have increased (28%), street cleansing is an area that has attracted a lot of scrutiny from the public and press in light of the budget cuts.

Many authorities noted that this was the area first impacted by budget cuts, as it was relatively easy to reduce frequencies of cleansing. However, many authorities then reported increased complaints around littering and had to revisit their service.

For those respondents commenting on street cleansing, 43% stated that they had made changes to reduce the frequency of cleansing for low priority areas (areas with lower footfall), 40% for other areas and 23% for high priority areas (areas with higher footfall, such as town centres and around transport hubs).

Other areas considered for driving efficiencies included renegotiating contracts (20%), followed by bundling of contracts for procurement and joint working.

Some areas of innovation were highlighted by respondents, including:

- Using a scalable street-cleansing operational structure allowing easier expansion of service.
- Increased joint working between street cleansing and grounds maintenance operations.
- Double shifting mechanical sweepers (a common theme for vehicles in collections services).
- Using a community-based approach with local community incentives.

Other common service changes include those listed in Table 7.

Table 7: Common service changes – street cleansing

Common service changes to drive efficiencies and generate savings – street cleansing

- Reducing cleansing frequencies – across all areas.
- Communications campaigns targeting litter, including gum and cigarette butts.
- ‘Re-beating’ and prioritisation of beats (work areas) to provide ‘gateway cleansing’ (cleansing of the gateway routes into an authority area, such as transport hubs).
- Reactive rather than proactive cleansing schedules.
- Use of technology and software, such as the Love Clean Streets mobile app.
- Renegotiating contracts.
- Joint working.
- Community incentives, including using community volunteers to conduct street inspections.
- Water saving recirculation systems.

Optimising street cleansing ‘beats’ or routes and also shift patterns has the potential to drive efficiencies as South Ayrshire Council demonstrate.

South Ayrshire Council

Street cleansing – optimising shift patterns

South Ayrshire Council has a number of rural areas and also high levels of tourism and visitors to town promenades. The Council has studied and optimised shift patterns, and renegotiated contracts to facilitate weekend street cleansing at agreed shift rates rather than overtime rates. Levels of cleanliness achieved in 2012/13 were benchmarked as above average for Scottish Councils.

Significant savings have also been delivered through changes to sweeping frequencies.

Borough Council, England

Street cleansing – frequency reductions

The Council operates an in-house street cleansing service. In 2013, it undertook a comprehensive review of street cleansing sweeping frequencies to realise cost savings. The Council opted to maintain existing frequencies in town centre areas and to reduce frequencies in less densely populated areas. The reduction in sweeping frequencies resulted in a reduction in the number of street cleansing operatives by 25, realising significant cost savings.



Although grounds maintenance was not covered in the survey, many authorities provided examples of reduced grass cutting activity and the growing prominence of urban meadows.

Borough Council, England

Grass cutting

The Council has reduced the frequency of grass cutting activity along roadside verges in the summer months. This was undertaken as part of a wildlife campaign to improve habitats for pollinators by leaving long grass and wildflowers. This saved £120,000 over two years.

South Ayrshire Council and East Ayrshire Council

Working together to deliver efficiencies

South Ayrshire and East Ayrshire Councils undertook a joint procurement exercise for the treatment and disposal of their residual waste arising. The contract, which commenced in May 2013, runs for a period of five years with extension options of 2 x 2 years. The successful contractors are required to meet annual recycling and landfill diversion targets, which increase incrementally. The rates achieved by the process are better than those previously available to the individual councils.

2.7 Working together – strength in numbers

Local authorities are increasingly working together to deliver efficiencies and this has been evidenced in the survey results. The results have highlighted the vast range of different formats the partnerships take. These range from those that have a formalised structure and deliver the majority of their activities together, to those where authorities and other organisations work together more informally on specific projects or activities.

Some common examples are detailed in Table 8.

Table 8: Common service changes – partnerships

Common service changes to drive efficiencies and generate savings – partnership working

- Joint delivery of services (such as collection services).
- Joint procurement of goods and services to create savings on the procurement process and to achieve economies of scale through joint purchase (such as food waste caddies).
- Joint communications campaigns (such as waste minimisation).
- Sharing workshop provision with other organisations (such as vehicle maintenance and MOT).
- Joint sharing of staff (such as recycling officer working for two local authorities).

Joint procurement, particularly of treatment and disposal contracts, has grown in popularity in recent years. This is due to the opportunities for efficiency savings during the procurement process and potential economies of scale through letting a larger contract to the market. South Ayrshire Council and East Ayrshire Council have benefited from efficiencies through their joint contract.

2.8 Supply chain support – cascading the impacts

The impact on the organisations that form part of a local authority supply chain are often overlooked as an impact of the austerity measures. However, the budget cuts are often cascaded, meaning that suppliers of goods and services also experience reductions. As part of the survey, 104 respondents from suppliers including waste management contractors, consultants, regulators, government delivery bodies, third-sector organisations and academics provided their views on a range of questions about how the measures had affected them. A total of 42% of respondents reported that all of the local authorities they worked with had felt impacts, with 26% responding that only some of them had.

Impacts noted included a reduction in HWRC opening hours, removal of food waste collection services, budget cuts and a reduction in training requirements.

Supply chain participants were asked to reflect on the goods, services and support they provide to local authorities and whether these had been changed by the cuts. A total of 25% of respondents recorded no change, but 24% recorded a decrease in goods, services and support delivered, and 20% recorded an overall reduction in contract value. An increase in support delivered was noted by 18% of respondents. Increased price pressure for suppliers was noted by several of the respondents.

When asked what changes local authorities had requested from the respondents, a number of areas were highlighted including changes to services to deliver efficiencies (38%), changes to hours of operation (37%) and requests for support/advice on cost savings.

It is clear from the responses that some of the difficulties being experienced by local authorities are being passed down the supply chain, with price points (the cost of an item or service) becoming increasingly sensitive. However, there are good examples of local authorities and their waste management contractors working together to identify opportunities, and then deliver and share the savings.



London Waste and Recycling Board

The London Waste and Recycling Board (LWARB) aims to improve waste management in London by reducing the production of waste; increasing the amount of that waste that is re-used or recycled; and using the most environmentally beneficial means of collecting, treating and disposing of waste. To achieve these aims, LWARB manages an investment fund that can be accessed to fund waste management improvement measures. The fund is split into two main areas:

- **Efficiencies Programme** – supporting London's waste authorities to improve waste management services.
- **Infrastructure Investment Programme** – helping to deliver London's waste infrastructure requirements by providing funding in conjunction with the private sector.

The returns on both of these programmes will enable LWARB to continue to invest in London in the long term.

Waste management is one of highest spends for London boroughs, so identifying savings is vital to the continuation of front-line waste services. Through the Efficiencies Programme, LWARB continues to offer support to London's waste authorities to identify and deliver savings. The Programme has run for two years (2013-2015) with a budget of £3.7 million, split over seven work streams.

The **Efficiency Review Fund** (part of the Efficiencies Programme) has attracted widespread interest. Over 14 reviews covering 20 boroughs have been completed to date, with two more in progress. The reviews are conducted in two phases – an initial desk-based review followed by a detailed operational review (where appropriate). The Efficiency Review Fund has, to date, identified £8,827,000 annual savings over a five-year period, as well as £1,143,600 one-off capital savings, by conducting efficiency reviews. With a number of reviews still underway, these figures are expected to increase.

Please visit the LWARB website (<http://www.lwarb.gov.uk>) for more information.

Local Partnerships

Local Partnerships is an organisation jointly owned by the LGA and HM Treasury. Its aim is to strengthen the public sector to deliver more effectively, achieve more swiftly, and give value for money to the taxpayer and public service customer.

Within waste management, Local Partnerships focuses on achieving service transformation and efficiencies (such as, asset management reviews, skills development, training in contract management, and procurement and project management).

Local Partnerships' involvement has had a significant impact in supporting public-realm services in local authorities including:

- Supporting the procurement of 29 PFI projects and 19 public-private partnership projects with a capital value of over £5 billion, ensuring that the 2012/13 and 2019/20 EU landfill target will be satisfied.
- Providing the majority of 'transactors' to the projects in procurement (commercial, skilled and experienced procurement professionals working with local authorities).
- Supporting the development of standardised documentation and approaches.
- Disseminating lessons learnt.
- Developing programme-wide operational savings initiatives. To date, Local Partnerships has identified savings of over £490 million across the programme and expects that this will increase substantially as more projects become operational.
- Conducting regional reviews (London, West Midland, North East, Yorkshire and Humber) – a recent Local Partnerships review in the North East of England highlighted over £9 million in annual efficiencies and the innovative approaches taken by 12 unitary authorities in



3 Rising to the challenge – what does the future hold?



On the whole, the survey results have reported that the cuts have ranged from £100,000 per year for some of the smaller district and borough councils to over £2 million per year for larger authorities. The cuts have been defined, in some cases, as a percentage of total budget (for example, between 4% and 10% of total waste and street cleansing services budget) or in others as a specific amount (for example, £1.4 million by 2016).

The cuts are required up to the year 2019/20, but most of the authorities commenting indicated that their largest cuts were due to hit in 2015/16. So, between now and 2020, we will see local authorities experiencing their biggest budget cuts to date.

When considering the largest spend areas in waste, recycling and street cleansing services it tends to fall on:

- Staffing.
- Vehicles and equipment.
- Disposal of residual waste.

For authorities that have already reviewed their operations, reduced their number of staff or working hours and are maximising their vehicle assets, another core area to explore, in terms of major savings, concerns waste arisings and ways of reducing them. Diverting residual waste from disposal, and maximising re-use and recycling can result in significant savings if the reductions can be maintained year on year.

3.1 Future waste arisings

One of the 'benefits' of the global economic downturn has been the impact it has had on household waste arisings. The public has been producing less waste and when combined with continual improvements in packaging design and light-weighting of materials, this has resulted in society throwing away less 'stuff'. This slowdown in waste arisings has had a bottom-line cost benefit to local authorities, a welcome benefit during difficult budgeting times. However, we are now starting to see a change, and the trend might be reversing. Local authorities that had been seeing a reduction in waste arisings are now starting to see an increase again as the public starts to spend as the economy grows, albeit slowly. The figures show increases in waste arisings for all nations with the exception of Scotland, which is still seeing an overall decline.



• England

- Household waste arisings in 2013/14 increased by approximately 387,000 tonnes compared with 2012/13 (about a 1.7% increase). This is the first time since 2006/07 that it has increased compared with that for the previous year¹⁷.
- Total local authority collected waste arisings in 2013/14 increased by approximately 562,000 tonnes compared with 2012/13 (2.25% increase). Again, this is the first time since 2006/07 that it has increased compared with that for the previous year, though it is still lower than all but two years since 2000/01.

• Wales

- In 2013/14, local authority municipal waste arisings increased by approximately 3,700 tonnes compared with that for 2012/13 (0.24% increase)¹⁸.

• Northern Ireland

- In 2013/14, local authority municipal waste arisings increased by approximately 10,866 tonnes compared with 2012/13 (1.2% increase). This is the first time since 2006/07 that it has increased compared with that for the previous year¹⁹.

• Scotland

- In 2013, household waste arisings decreased by a further 88,130 tonnes, a reduction of around 3.5%. It has decreased every year since 2006/07, except for 2010/11 when there was a small increase of 5,382 tonnes²⁰.

• Republic of Ireland

- In 2013, waste arisings increased by approximately 30,000 tonnes compared with that for 2012, an increase of approximately 2.2%. The two previous years had seen a decline in arisings, so the 2013 figure is still lower than that for 2010 and 2011²¹.

At the same time, we are seeing flatlining recycling rates in England and Northern Ireland, and a potential slowdown in Wales, Scotland and ROI. This could cause serious problems for local authorities as they will potentially need to spend more to dispose of the increasing volumes of residual waste.

However, if recycling rates do not continue to rise at the rates predicted, then there will be a reduced volume of waste being offset through the treatment and recovery of recyclates and, thus, disposal costs will increase further. With reduced numbers of staff and less budget for communications, there could be a reduction in recycling rates and an increase in contamination rates, resulting in a decline in overall materials quality.

3.1.1 So why does this matter?

Local authorities have regulatory requirements to provide certain services and meet targets. There is also a moral obligation to the public and to the environment. By collecting, cleansing and managing waste materials in a more efficient manner, local environmental quality is protected, and savings are made through re-use and recycling, which help to offset service costs and protect the level of local council tax. Ultimately, services are maintained and enhanced. The challenge for all is to get more from less – protecting service levels and performance with fewer resources – and that requires greater innovation in management approaches and partnership arrangements.

The survey results and case studies highlight many initiatives and examples of innovation that have been and are being implemented. There are challenges on local budgets and services, but we are seeing true innovation in the way that services are being redesigned and delivered.

This does not mean that austerity is not biting – and clearly the situation is going to get worse. Even with a potential change in government, it is likely that cuts will continue in the short term. Local authorities cannot afford for the situation to get worse. That is why sharing experiences, such as those detailed in this report, is so important.

This study was conceived to compare anecdotes concerning service cuts and redundancies hitting local authorities with evidence direct from officers and their suppliers in the UK and ROI. The harsh realities are that there have been significant cuts to waste, recycling and street cleansing services; departments have been restructured; and staff morale is reported to be very low. However, there is also a far more positive side to the austerity measures that has not been widely reported in the media. And this should not be forgotten, it must be embraced.

¹⁷ <https://www.gov.uk/government/statistical-data-sets/env18-local-authority-collected-waste-annual-results-tables>

¹⁸ <https://stats.wales.wales.gov.uk/Catalogue/Environment-and-Countryside/Waste-Management/Local-Authority-Municipal-Waste/Annual>

¹⁹ http://www.doeni.gov.uk/nea/waste-home/municipal_data_reporting.htm

²⁰ http://www.sepa.org.uk/waste/waste_data/waste_data_digest.aspx
<http://www.environment.scotland.gov.uk/get-interactive/data/household-waste/>

²¹ http://www.epa.ie/pubs/reports/waste/stats/household/EPA_HH_2013_bulletin_final_to_web.pdf



3.2 Thinking strategically and holistically

Local authorities provide public services and are designed with built-in contingency in their services to support the public interest – this provides an inherent flexibility, which is much needed in times of adverse weather for example. Members of the public telephone with their complaint or question and it is expected that the local authority (or its service provider) will respond immediately – we telephone and they respond. With austerity, some of this buffer is being targeted. Services are becoming leaner, more stripped down and, potentially, less flexible. Close monitoring is key. Identifying this trend early will allow any one of a number of mitigation measures to be put in place before the situation worsens further and to a degree that some local authorities would not be able to cope with.

One of the ‘lessons learnt’ from speaking with survey participants was the need to think strategically and holistically when planning for budget cuts. It has often been the ‘low-hanging fruit’ that has been tackled first – small cuts and trims, minor changes to service and targeting the periphery not the core. When services are cut to meet the required budget or decisions are made on short-term requirements, it can often leave them disjointed or, even worse, it can mean that they cost more in the long term. This could result in increased levels of litter and fly tipping, with associated effects on health, investment, general prosperity and social attitudes about how you value where you live.

The big savings delivered to date have resulted from major changes, such as re-letting contracts or making material changes to services. These changes must also be considered holistically as they will impact on the way that the service functions in the future. The case studies and survey responses have clearly highlighted that service and budget changes must not be done in a piecemeal or disjointed way. If they are, it could ultimately undermine the service and the authority (and/or service provider) due to unforeseen impacts on other services, levels of customer satisfaction and overall system performance.

The most successful authorities are thinking about opportunities rather than cuts. How can services be changed for the better? How can they be shaped to meet public expectations, but also how can services be adapted to drive efficiencies and generate revenue?

Suppliers have an important role to play. Many survey respondents stated that they were renegotiating contracts and working closely with suppliers to see where savings could be made. The best examples provided were of waste management contractors identifying opportunities to deliver efficiencies and share those savings between authority and contractor – true partnership working.

There are many ways of responding to the challenge of austerity measures – this is why the findings of the report are so interesting for local authority officers, elected members and their service partners.

Each authority is approaching this in a different way. However, learning lessons from others about what worked (or did not) and why, could be crucial in avoiding unnecessary service cuts, staff losses, or poor investments and associated impacts on the local environment.



- **Trim services** – such as change HWRC opening hours, reduce garden waste collection services from 12 months per year to 10.
- **Withdraw services** – such as close HWRCs or remove bring banks.
- **Innovation** (organisational, operational or technological) – such as providing services for new sectors (for example, food waste collections for retailers or double shifting of vehicles).
- **Partnership working between authorities, the third sector and the private sector** – such as providing joint bulky-waste services between local authorities and the third sector, and the joint procurement of contracts for the processing of recyclates.
- **Communications** – such as:
 - Sharing ideas, experience and best practice.
 - Engaging with residents to consult on the best approaches and to raise awareness of the need for change.
 - Developing ideas together with the third sector and private sector organisations.



3.3 Taking the public on the journey

Another critical lesson learnt from this exercise is the need for local authorities to take the public on the journey. There are some excellent examples (Norfolk County Council and Oxfordshire County Council) of authorities communicating honestly with their residents on the need to make budget cuts and what this potentially means for their services. When residents are provided with choices (for example, reduced hours at HWRCs or closure), they are given the power to make informed decisions about the type of service they want. Communicating the savings that need to be made is important, but it is also important to get the message across in a tangible manner. Does a resident really understand what £19 million looks like? For example, is that a library or a HWRC, or all of an authority's libraries and HWRCs combined?

Political support is absolutely essential. Those authorities that have really responded well are the ones that have taken the public with them and have not been afraid to make difficult decisions.

Where the public has not been fully engaged, authorities and elected members have faced backlash and some difficult decisions may have been overturned. This is not helpful for anyone in the long term. Budgets still need to be cut and if one proposal is overturned, then the savings will need to come from somewhere else. Understanding the public's priorities is important in helping decide what needs to go first and what restructuring of services, opening hours and facilities are going to work best in terms of savings and customer satisfaction.

The UK and ROI are still on a journey to reduce budget deficit. This will impact all local authorities and their supply chains in the coming five years. However, demand for services will continue to increase. Perhaps this is the opportunity to change how we engage with local customers and residents. For instance, by helping them to fully understand that, for example, dropping litter will have a direct impact on their pocket and if they divert more recyclables from their residual waste, then any revenue generated can help to offset service costs – waste related and potentially wider afield in housing, education and other social services. Could austerity measures help drive a long-term change in public behaviour, just as waste arisings have been positively impacted by reductions in disposable income during the recession? Only if we embrace the truth and engage consumers directly.

3.4 The next five years

This study has looked at the impact of austerity measures to date across the UK and ROI, and the plans for the next five years. Just as individual authorities are on a journey, so are the nations. The ROI has already transitioned through budget cuts, England is in the middle of austerity and Wales, Scotland and Northern Ireland are negotiating early changes.

What is clear is that we are in this for the long haul. Some authorities are still going to experience real pain. Some will reduce services down to the statutory bare minimum to be able to cope, and there will be real pressure on their staff as core teams reduce and skills are lost from the ranks. Other authorities may still have to cut services, but will be able to innovate to provide alternatives for the public.

As part of this research, CIWM and Ricardo-AEA have drawn together all of the opportunities provided during the survey and one-to-one interviews.

As a supplement to this report, we have developed an 'opportunities checklist'²² to provide examples that an authority may wish to consider when responding to the cuts. Linked to these opportunities are examples of useful guidance and case studies that may be of interest to a local authority or its partners that want to drive efficiencies and improve performance.

Experiences need to be shared, pitfalls highlighted and available opportunities discussed, in particular:

- Austerity is not uniformly bad for service provision.
 - There are examples of increased service provision, cost per unit reductions and enhanced relationships with partners and the public – use the opportunities checklist, seek support and advice from relevant organisations and identify solutions that are fit for purpose in the local situation.
- Invest time in planning.
 - There is quite a lot to consider. Approach this early and take a strategic view of the opportunities rather than trying to cut services to reach the required saving.
- Deliver services that people want and are willing to prioritise and use.
 - Be transparent about plans, consult and engage with residents, and take them on the difficult journey that the authority faces. The cuts proposed may not be ideal, but local authorities need to communicate the reality of the situation and ask for support from their residents.

Austerity measures have been our industry's toughest challenge to date, and the resilience, flexibility and entrepreneurial spirit of waste managers in the sector is evident from the scale of change that has been required.

Local authority waste services and street cleansing services will never be the same again – but built on shared experience and partnership working, they will continue to evolve efficiently and with the public at the heart of their design and delivery.

²² <http://www.ricardo-aea.com/cms/local-authority-opportunities-checklist/>





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The Chartered Institution of Wastes Management (CIWM), is the professional body which represents waste and resource professionals working in the sustainable waste and resource management sectors worldwide. CIWM sets the professional standards for individuals working in the industry and has various grades of membership determined by education, qualification and experience.

www.ciwm.co.uk

Tel: 01604 620426



Follow us on **LinkedIn**

For media enquiries: pat.jennings@ciwm.co.uk

For technical enquiries: chris.murphy@ciwm.co.uk / tracy.moffatt@ciwm.co.uk

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