

Inspection report

June 2005



# Waste Management

Newcastle-under-Lyme Borough Council

# Contents

Summary	3
Scoring the service	4
Recommendations	6
Report	8
Context	8
The locality	8
The Council	8
The service inspection	9
How good is the service?	11
Are the aims clear and challenging?	11
Does the service meet these aims?	12
How does the performance compare?	15
Summary	16
What are the prospects for improvement to the service?	17
Ownership of problems and willingness to change	17
A sustained focus on what matters	18
Capacity and systems to deliver performance and improvement	19
Integration of continuous improvement into day-to-day management	20
Summary	21
Appendices	22
Documents reviewed	22
Reality checks undertaken	22
List of people interviewed	23

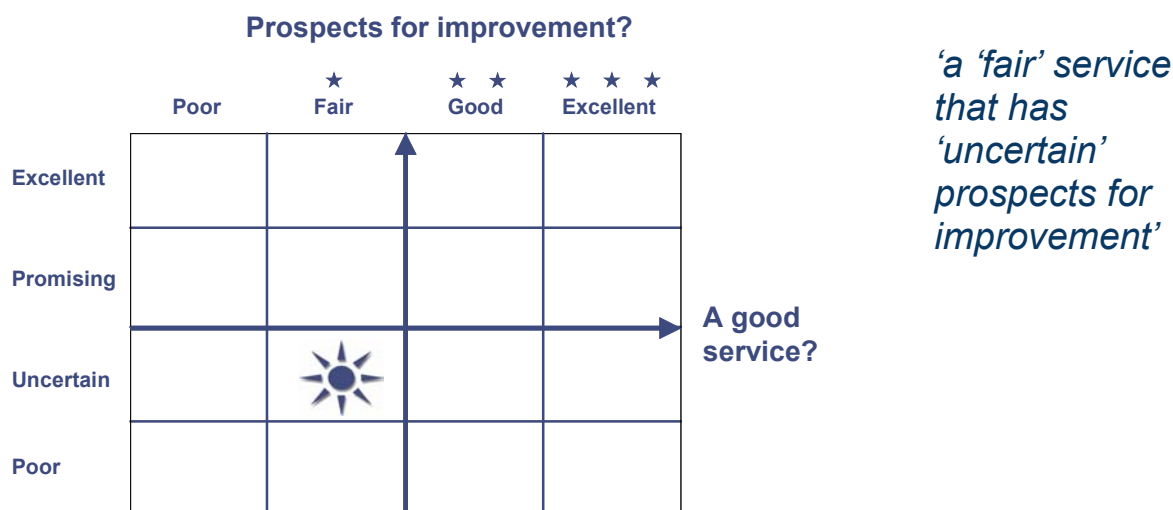
## Summary

- 1 Newcastle-under-Lyme is a borough council in the North Staffordshire conurbation.
- 2 The population is 123,300 of which 3.5 per cent are from minority ethnic communities. Unemployment is lower than average at 1.3 per cent.
- 3 The Council is led by the Labour party with 32 of the 60 seats.
- 4 We inspected the Council's waste management service, including refuse collection, recycling, street cleansing, environmental education and enforcement. The service cost £3.2 million in 2004/05. Waste services are provided directly by the Council and by contractors for the delivery of kerbside recycling collections.

## Scoring the service

- 5 We have assessed the Council as providing a **'fair', one-star** service that has **'uncertain'** prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

**Scoring chart<sup>6</sup>: Newcastle-under-Lyme Borough Council - Waste Management**



- 6 We judge that Newcastle-under-Lyme Borough Council's waste management service is a **'fair', one-star** service because performance is inconsistent with some elements of the service performing above average compared with peer authorities whilst other elements are relatively poor. The refuse collection service is effective, but recycling is low, street cleansing is not fully effective and enforcement and prevention work are developing.
- 7 Positive aspects of the service are that:
- ◆ effective refuse collection with high public satisfaction which has increased since 2000/01;
  - ◆ levels of waste collected are below average; and
  - ◆ the Council is accessible to the public and responsive to most identified problems.
- 8 However, there are a number of weaknesses including:
- ◆ a low recycling rate;
  - ◆ street cleansing is not fully effective;
  - ◆ the service cannot demonstrate that it is delivering value for money in all aspects; and
  - ◆ enforcement and prevention work are underdeveloped and there is limited evaluation of the outcomes of initiatives.

<sup>6</sup> The scoring chart displays performance in two dimensions. The horizontal axis shows how good the service or function is now, on a scale ranging from no stars for a service that is poor (at the left-hand end) to three stars for an excellent service (right-hand end). The vertical axis shows the improvement prospects of the service, also on a four-point scale.

- 9 The prospects for improvement are '**uncertain**', points to highlight are that:
- ◆ the Council is committed to improving waste services and acknowledges there are significant areas for improvement to address;
  - ◆ resources are being put in place in the short-term to improve recycling, education and enforcement; and
  - ◆ there are local plans to deliver the county-wide waste management strategy and meet targets for recycling.
- 10 However, there are a number of weaknesses:
- ◆ there has been a lack of political leadership to drive and champion waste services and decision making has been slow which has impacted on the service;
  - ◆ much of the work is in the development phase and the likely impact is unclear and will not be felt for some time such as on street cleansing;
  - ◆ funding levels needed to sustain the service and the planned improvements beyond 2005/06 are uncertain; and
  - ◆ performance and project management are not yet fully embedded in the service.

## Recommendations

- 11 To rise to the challenge of continuous improvement, councils need inspection reports that offer practical pointers for improvement. In this context, the inspection team recommends that the Council should do the following.
- ◆ Determine which priorities at both corporate and service level are most important and develop medium-term plans which are financially sustainable and target top quartile performance.
  - ◆ Establish by April 2006 whether refuse collection and street cleansing services are effective and provide value for money for local people.
  - ◆ Strengthen political leadership of the service and decision-making through member training and development to help drive the service forward.
  - ◆ Publish outcome-focused service standards and performance achieved to communicate clearly to customers the levels of service they can expect and receive.
  - ◆ Take action to reduce household waste and littering and promote recycling. Specifically:
    - ◆ develop a targeted waste minimisation strategy and education campaign and identify resources to deliver the plans by end of December 2005;
    - ◆ work with the recycling contractor to take further action to increase the number of households that participate in recycling and the amount recycled by September 2005; and
    - ◆ develop an education and enforcement programme with measurable outcomes to discourage littering and improve street cleanliness by end of October 2005.
  - ◆ Update working practices within street cleansing to ensure areas are cleansed as necessary rather than on historical fixed frequencies.
  - ◆ Develop mechanisms to improve communication and feedback and enable staff and the public to be involved in the continuous improvement of the service.
- 12 We would like to thank the staff of Newcastle-under-Lyme Borough Council, particularly the staff of the department of waste management who made us welcome and who met our requests efficiently and courteously.

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**Dates of inspection: 19, 20, 25, and 26 April 2005**

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# Report

## Context

- 13 This report has been prepared by the Audit Commission ('the Commission') following an inspection under Section 10 of the Local Government Act 1999, and issued in accordance with its duty under Section 13 of the 1999 Act.

## The locality

- 14 Newcastle-under-Lyme is a borough situated in the North Staffordshire conurbation. It covers an area of 81 square miles and has a mixture of rural and urban areas with two main towns, Newcastle-under-Lyme and Kidsgrove.
- 15 The borough has a population of 123,300 with a low minority ethnic population of 3.5 per cent compared with the national average of 13 per cent and 13.9 per cent regionally. Population growth in the area is lower than across the country and the population is predicted to reduce by 1 per cent by 2010 compared with an expected increase of over 4 per cent nationally.
- 16 Traditional mining and pottery industries are in decline and the distribution and light manufacturing sectors are now the largest employer in the area. Unemployment at 1.3 per cent is lower than the national average of 2.2 per cent and the borough is not particularly deprived as a whole scoring 138 out of 354 according to the index of multiple deprivation for 2004 (where 1 is the most deprived). However, there are pockets of high deprivation throughout the borough.

## The Council

- 17 The Council is Labour-led with 32 of the 60 seats. There are also 14 Conservative, 12 Liberal Democrat and two Independent members. The Council has a modernised political structure with a leader, cabinet and scrutiny function in place. The Council employs around 700 staff across seven departments and in 2004/05 had a net revenue budget of £13.5 million.
- 18 The Council was allocated a 'fair' classification in its Comprehensive Performance Assessment (CPA) in April 2004. However, weaknesses were identified in waste management, particularly the level of recycling and street cleansing.

## The service inspection

- 19 We inspected the Council's waste management service including refuse collection, recycling, street cleansing, environmental education and enforcement. The Council's budget for waste management services was £3.2 million in 2004/05.
- 20 Waste management services are provided directly by the Council and also by contractors who collect recyclable materials and hazardous wastes. A fortnightly kerbside collection of dry recyclables was introduced in 2003 and a pilot of a fortnightly kerbside collection of garden waste started in 2004. Waste services are located in the Community Services department.

### National and regional context

- 21 The white paper 'Our towns and cities: the future' sets out the Government's new vision of urban living – 'people living in attractive, well-kept towns and cities'. Effective management of the streets contributes significantly to the 'liveability' agenda set out by the Prime Minister in April 2001 – '.... streets where graffiti, vandalism, litter and dereliction are not tolerated.' 'LIVING PLACES, Cleaner, Safer, Greener'<sup>7</sup> sets out the Government's vision for public space – 'successful, thriving and prosperous communities are characterised by streets, parks and open spaces that are clean, safe and attractive...'.
- 22 The Audit Commission's Streetscene report<sup>8</sup> identified four key areas for improvement nationally - focusing on the user, co-ordinating services, managing quality and embracing competition.

### Waste management

- 23 Waste Disposal Authorities (WDAs) and Waste Collection Authorities (WCAs) carry out waste management functions. Newcastle-under-Lyme Borough Council is a WCA and Staffordshire County Council is the WDA.
- 24 The Government has set objectives for local authorities to reduce the amount of waste that is collected and to encourage more recycling. Newcastle-under-Lyme's statutory target for recycling and composting was 10 per cent by 2003/04 and is 18 per cent by 2005/06.
- 25 The total amount of municipal waste collected in England reduced by 2 per cent in 2003/04 compared with 2002/03<sup>9</sup>.

### Street cleansing

- 26 Councils have a duty to keep their land clear of litter. The Environmental Protection Act 1990 (EPA) gives a local authority power to deal with litter-based problems affecting its area, including issuing fixed penalty tickets to people who commit an offence by dropping litter. A Code of Practice, issued under the Act, recommends a 'clean as necessary' approach and specific levels of cleanliness for various environments. Under the Town and Country Planning Act 1990, an authority has the power to issue a notice to a private landowner to clean up their land and to undertake the cleansing itself if the landowner fails to act.

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<sup>7</sup> LIVING SPACES Cleaner, Safer, Greener, Office of the Deputy Prime Minister, October 2002.

<sup>8</sup> **ACKNOWLEDGE**, Learning from Audit, Inspection and Research, Streetscene, Audit Commission, 2002.

<sup>9</sup> DEFRA, Municipal Waste Management Statistics 2003/04.

- 27 In 2003/04, a new national best value performance indicator and target to measure street cleanliness (BV 199) were introduced. An initial benchmark of less than 30 per cent was set (now revised to 27.5 per cent) of relevant land should have significant or heavy deposits of litter and detritus by 2005/06. 'Transforming our local environment', by improving the quality, cleanliness and safety of public space, is a shared priority between central and local government.
- 28 The Dogs (Fouling of Land) Act 1996 gives local authorities the power to impose controls relating to dog fouling on designated land in their area. The Council can issue fixed penalty tickets under the provisions of the 1990 Act to dog owners who fail to remove dog faeces.
- 29 The Refuse Disposal (Amenity) Act 1978 contains controls for the removal and disposal of abandoned vehicles by local authorities.

## How good is the service?

### Are the aims clear and challenging?

- 30 Inspectors look to see how a council has agreed the key aims for the service being inspected, how clear these aims are to the people that receive the service and whether these reflect the corporate aims of the organisation as a whole.
- 31 Aims need to be challenging, address local needs and support national objectives. This requires the Council to consider and demonstrate how a service contributes to its wider corporate aims and community plans.
- 32 The Council has strategic aims for improving the environment for local people, although actions are largely focused on meeting government targets rather than a longer-term vision for sustainable improvements to the overall environment. Aims are expressed in the Staffordshire joint waste management strategy (WMS), the community strategy and service plans. The strategic aims have been translated into specific actions and targets in service plans to improve waste management.
- 33 The community strategy has five aims up to 2007 including a 'healthy environment' and to reduce household waste and improve recycling. Targets include increasing household waste recycling and composting to the Council's minimum standard of 18 per cent by 2006, but there are no targets to reduce waste levels. Corporate plans show a commitment to meeting government targets for recycling but again there is less emphasis on reducing waste with targets of increasing waste levels to 2005/06 (420 kg per head) and the local agenda 21 strategy (1999) is due to be updated.
- 34 The Council is committed to the WMS which has clear and challenging aims for waste management and addresses national priorities. The strategy was developed in partnership by councils in Staffordshire. It is long-term up to 2020 and there are plans and targets for recycling and waste minimisation that exceed statutory performance targets, including local public sector agreement (LPSA) stretch targets for recycling and zero waste to landfill by 2020. The Council has produced a local plan to deliver the waste strategy with actions and targets for recycling although detail in some areas such as education work and waste minimisation is still to be developed.
- 35 Communication with the public is mixed. The Council distributes a newspaper, the 'Reporter', to all residents which has included items on waste issues, leaflets to every household prior to rolling out the recycling scheme and a calendar detailing what will be collected, when and how often. There are feedback mechanisms in place that allow information exchange with the public such as the People's Panel, surveys and recent use of the Council's website to gain feedback on services including the new garden waste collection. However, service standards and performance on waste services are not communicated to the public so it is not clear to local people what level of service they can expect.

## Does the service meet these aims?

- 36 Having considered the aims that the Council has set for the service, inspectors make an assessment of how well the Council is meeting these aims. This includes an assessment of performance against specific service standards and targets and the Council's approach to measuring whether it is actually delivering what it set out to do.
- 37 We have assessed the service against two key criteria:
- ◆ taking action to minimise, reuse and recycle waste; and
  - ◆ collecting refuse and keeping the streets clean.

### Taking action to minimise, reuse and recycle waste

- 38 The service has started to take action to minimise and recycle waste but recycling rates are low.
- 39 The Council collects a lower volume of household waste<sup>10</sup> per head of population than other councils. In 2003/04, it collected 393 kg of waste per head, less than average compared with other councils and below the Council target of 395 kg. Unaudited data for 2004/05 show levels of waste collected fell to 392 kg. It has undertaken actions to try and reduce the level of waste collected, for example, the Council:
- ◆ encourages home composting by providing free compost bins (14,500 issued to date) which the Council estimates from studies undertaken divert around 2.7 kg of waste from entering the waste stream per household each week;
  - ◆ has a policy to not collect side waste or overloaded bins and leaves a card at properties which do not comply;
  - ◆ charges to collect bulky waste and supports furniture re-use charities such as 'Furniture Mine' who provide a free collection service for unwanted goods which are delivered to people in social and domestic crisis;
  - ◆ provides 'Green grants' to community groups for environmental initiatives; and
  - ◆ promotes washable nappies in partnership with neighbouring authorities.
- 40 However, targets in corporate and service plans predict a further increase in waste levels up to 2007/08 due to the introduction of garden waste collections and there is no targeted waste reduction strategy in place with partners.
- 41 The Council does not have a targeted strategy for reducing its own waste production although it does recycle 'green' waste from grounds maintenance activity and has paper recycling in offices.
- 42 Performance on recycling is improving but from a low base. In 2001/02, the Council recycled only 4 per cent of waste. To address this, it introduced a kerbside collection scheme for dry recyclables and 86 per cent of residents had access to this service in 2003/04. The Council plans to extend this scheme to all accessible households (over 53,000) by the end of 2005/06, including some hard to reach properties such as flats. Residents are provided with a blue box for glass, cans and aluminium and a blue bag for paper plus a sack for textiles, all of which go to be recycled. Public satisfaction with recycling increased from 58 to 72 per cent between 2000 and 2004.

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<sup>10</sup> Where the report states 'Waste' this refers to 'Household waste'.

- 43 Although the public has an increasing opportunity to recycle a variety of materials, progress on improving the recycling rate to date has been slow. In 2003/04 the Council recycled 9.7 per cent of waste, marginally below its statutory recycling target of 10 per cent and in the bottom quartile compared with other councils. This was an increase from 6 per cent in 2002/03 and latest council figures show performance has increased to 11.3 per cent but this is still bottom quartile in relation to other councils in 2003/04 and the Council will not achieve the LPSA stretch target of 15.4 per cent in 2004/05.
- 44 The Council has not maximised participation in its recycling schemes by targeting areas of low participation and identifying areas for improvement. Although it has carried out participation surveys, undertaken some research into the reasons why people do not recycle and introduced incentives to the contractor to increase participation, the results have not been used effectively to drive improvement and maximise the potential of existing recycling initiatives.
- 45 The Council is working to improve its performance on composting. In 2004/05 it introduced a garden waste collection service to 2,500 properties in the borough and plans to extend this to all properties with a garden (36,000 households) by 2010. Residents we spoke to were very positive about this scheme.
- 46 The kerbside collections are complemented by 18 recycling bring sites run by the Council and a civic amenity site provided by Staffordshire County Council within the borough. The sites are clean and tidy and there is information provided for the public. However, there is a lack of signposting to the sites which may disadvantage new residents and discourage new participants who may not have the local knowledge to know where the sites are located, the range of items collected is limited, and the bring sites are under used. The Council plans to improve the facilities and increase the number of bring sites to 23 by 2010.
- 47 The Council uses a range of methods to promote recycling. These include leaflets outlining the kerbside scheme and a collection calendar to households, and service information in leaflets and on the Council's website including location of bring sites. However, there are no clearly publicised service standards against which the public can judge waste management services overall.
- 48 The Council promotes recycling and waste minimisation in local schools, but the success in this area is significantly limited by resource constraints. It promotes environmental education and 12 schools (20 per cent of the total in the borough) are actively involved in a national project ENCAMS<sup>11</sup> called 'Eco-schools' in which they prepare action plans to improve recycling and waste minimisation. The Council provides the schools with recycling boxes, supports litter picks and promotes anti-litter campaigns with local police and the housing association. However, the Council's ability to target education strategically is limited by capacity, there is no work with local businesses, little partnership work and limited evaluation of the success in terms of outcomes of initiatives.

### **Collecting refuse and keeping the streets clean**

- 49 The Council's refuse collection is effective and the service is accessible and responds to problems. However, street cleansing is not fully effective and prevention and enforcement measures against littering and fly-tipping are underdeveloped.

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<sup>11</sup> ENCAMS refers to 'Environmental Campaigns', formerly the Tidy Britain Group.

- 50 The refuse collection service is effective and has high satisfaction with local residents. The Council provides a weekly refuse collection from wheeled bins, a subsidised bulky waste collection by appointment within ten days, a trade waste collection service and a free clinical waste collection in partnership with the local health authority. There is high public satisfaction (94 per cent) and the cost of refuse collection is below average compared with other councils.
- 51 However, the Council cannot demonstrate if all aspects of waste services provide value for money. For example, it is not known if trade waste collection is cost effective and the refuse collection vehicle fleet is awaiting replacement and there are frequent breakdowns. The service to the public has been maintained by hiring in replacement vehicles and operatives working overtime, which is adversely impacting on costs. The fleet was due to be replaced in early 2005 but has been delayed to later in 2005 due in part to members making decisions on the waste strategy.
- 52 The inspection found that the streets and public spaces in the borough were generally clean. Streets, parks and open areas were clean, litter bins were not overflowing and there was no litter left behind after refuse was collected. However, performance data and feedback from the public indicate that street cleansing is not fully effective. In 2003/04, 29 per cent of relevant land had unacceptable levels of litter (BVPI 199) which was below median compared with other councils. Incidences of fly-tipping doubled in January 2005 to 80 and were higher than the previous two years. Public satisfaction with street cleanliness fell 3 per cent to 59 per cent between 2000/01 to 2003/04<sup>12</sup> and members of the public we spoke to were still concerned with litter problems in some areas and felt that more education and enforcement was needed.
- 53 The waste service is accessible to the public. The public can contact the service through 17 drop-in centres across the borough, by telephone or through the Council's website. A new telephone call system was implemented in December 2004, which has improved customer contact and the Council reports over 90 per cent of calls are answered and queries dealt with quickly.
- 54 The Council's response to public feedback is mixed. It has responded to customer concerns by deploying a rapid response team to target hotspots and introduced early morning cleansing of Newcastle town centre at the weekends. The service responds quickly to remove fly-tipping and graffiti (particularly offensive graffiti) and has internal standards for staff to meet. However, street cleansing working practices are outdated and largely based on the old contract which requires fixed interval cleansing rather than a clean as necessary approach. The capacity of street cleansing has been limited by high sickness levels (averaging over 30 days per person in 2004/05), but the service is taking action to address this and has recently reduced the number of long-term sick cases from five to one.
- 55 The Council is not maximising the use of performance information to help target improvements to the street cleansing service. It is not using BVPI 199 routinely to target services and change the frequency of street cleansing, trends of complaints are not analysed and there is limited feedback on performance to frontline staff or the public.

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<sup>12</sup> Source of satisfaction data (BVPI 89): MORI poll.

- 56 There has been some progress on identifying and meeting the needs of the diverse community in the borough. The Council provides assisted refuse and recycling collections for elderly, disabled or infirm persons and provides a sack collection service to residents in hard to reach properties such as high rise flats. Free compost bins are available to all residents. The Council subscribes to language line and has systems to improve communication with people who are hard of hearing or partially sighted.
- 57 The approach to enforcement in waste services has been largely reactive and complaints-driven with few preventative measures for littering, fly-tipping and abandoned cars. There is a corporate enforcement policy based on the enforcement concordat and procedures for dealing with dog fouling, fly-tipping and abandoned vehicles. There have been a number of awareness and promotion activities on dog fouling including wardens promoting responsible dog ownership in the community and successful prosecutions have been publicised in the local media. There have also been numerous statutory notices on abandoned cars. However, there have been no prosecutions for other fly-tipping or littering as part of a structured programme of education and prevention work across waste services.

## How does the performance compare?

- 58 In order to judge the quality of a service, it is important to compare the performance of that service against other suppliers across a range of sectors. The aim is not exact comparison, but an exploration of how similar services (or elements of services) perform in order to identify significant differences, the reasons for them, and the extent to which improvements are required.
- 59 The levels of public satisfaction with refuse collection and recycling compare well with results achieved by other councils. Satisfaction with refuse collection was amongst the best nationally in 2003/04 (the latest available figures) at 94 per cent, up from 86 per cent in 2000/01. Satisfaction with recycling also increased from 58 per cent to 72 per cent and was above average. However, satisfaction with street cleanliness fell by 3 per cent to 59 per cent placing the Council in the second worst quartile nationally, although this was less than the national average decline of 4 per cent for district councils.
- 60 Newcastle's recycling performance is poor in comparison with other councils. During 2003/04 it recycled 9.7 per cent of household waste placing it in the worst quartile nationally. Unaudited figures show this rate had increased to 11.3 per cent in April 2005. The population served by a kerbside collection of recyclable materials is also below average.
- 61 The Council's waste collection performance in 2003/04 was better than average for the weight of house waste collected (393 kg per head of population) and cost (£35.83 per household). However, the quantity of waste collected increased by 1.8 per cent during the year compared with a national fall of 2 per cent but recent unaudited council data for 2004/05, show levels of waste have reduced to 392 kg per head of population.
- 62 Street cleanliness in the borough is below average with 29 per cent of relevant land having unacceptable levels of litter and detritus (BVPI 199) in surveys undertaken in 2003/04.

## Summary

- 63 We judge that Newcastle-under-Lyme Borough Council's waste management service is a **'fair'**, one-star service because performance is not consistent. The refuse collection service is effective, but recycling is low, street cleansing is not fully effective and enforcement and prevention work are developing.
- 64 Positive aspects of the service are that:
- ◆ effective refuse collection with high public satisfaction which has increased since 2000/01;
  - ◆ below average levels of waste collected; and
  - ◆ the Council is accessible to the public and responds to and addresses some identified problems with the service.
- 65 However, there are a number of weaknesses including:
- ◆ a low recycling rate;
  - ◆ street cleansing is not fully effective; and
  - ◆ enforcement and prevention work are underdeveloped and there is limited evaluation of the outcomes of initiatives.

## What are the prospects for improvement to the service?

- 66 Inspectors use the following four building blocks to judge the service's prospects for improvement.
- ◆ Ownership of problems and willingness to change.
  - ◆ A sustained focus on what matters.
  - ◆ Capacity and systems to deliver performance and improvement.
  - ◆ Integration of continuous improvement into day-to-day management.

### Ownership of problems and willingness to change

- 67 In good and excellent councils, senior managers and councillors are committed to continuous improvement. They are willing to tackle difficult problems, take difficult decisions and stick to them. They are open about their performance and problems and welcome internal and external challenge.
- 68 The Council is committed to improving the service in the immediate future and has made recent investment to help it meet government targets. This includes additional funding in 2005/06 of:
- ◆ £75,000 to extend the kerbside collection to a further 7,000 households across the borough including harder to reach properties such as flats with another collection vehicle;
  - ◆ £161,000 to introduce a first full round of a kerbside collection of garden waste to 12,000 properties; and
  - ◆ £38,000 to develop an education campaign to promote participation in recycling and reduce household waste levels.
- 69 The Council is also investing to strengthen enforcement. It has provided £80,000 to set up a corporate enforcement team in 2005/06 and plans to introduce five street wardens in the Knutton and Cross Heath area as part of a RENEW North Staffordshire project with external Housing Pathfinder funding of over £400,000. However, the expected outcomes and priorities in terms of improving the environment as part of these initiatives have not yet been identified.
- 70 There are longer-term aspirations to continue to improve the service as environmental improvements are seen as a key priority for members and officers. However, there are a number of key priorities competing for scarce resources and the Council's medium-term financial planning indicates that there are unlikely to be sufficient funds available to meet all its current plans and some may have to be scaled back or not implemented. These difficult decisions have yet to be addressed and it is unclear if the Council's current waste collection and recycling activities are financially sustainable.
- 71 Progress on best value reviews of public space and enforcement has been slow. There has been project management training for some council staff but this is not yet fully embedded and resources and support from the corporate centre for reviews and projects is limited suggesting that this work is not considered a high priority by the Council.
- 72 Links between projects and expected outcomes are not always clearly identified. For example, it is not clear how the new enforcement team and street wardens will work with existing frontline staff involved in enforcement such as park rangers, dog wardens and street wardens employed by the local housing association and expected outcomes and priorities for their work are yet to be developed.

- 73 The Council's slow track record on recycling suggest that it has not been rigorous in challenging performance in these areas in the past. It does not systematically target top quartile performance or best practice. Improving recycling has only recently become a high priority for members as government targets have not been met. Decisions on future options for recycling have been difficult to make.
- 74 Education and promotion are areas of weaknesses and while there are resources available to strengthen this area, the detailed plans are yet to be developed. There has been limited progress on joint work on education as part of the waste strategy, including a project to research waste minimisation and improve participation in recycling which has been slow to move forward.
- 75 There is some, but limited, use of internal and external challenge in the service. Benchmarking activity is developing and has included visits to other councils, use of best practice to inform future plans on recycling and street wardens and external consultants have identified areas for improvement in refuse collection and street cleansing, but the impact of this work is yet to be seen. The contract for kerbside recycling was awarded to external contractors who were £200,000 cheaper than the Council's in-house team and the garden waste service was formally tendered. However, refuse collection and street cleansing were last market tested in 1998 and since then the Council has continued to deliver the service in-house without determining if it provides best value for local people. The Council is still working to a specification based on the old contract even though it is no longer in force which is restricting progress. In addition, frontline staff are not actively involved in developing improvement plans so the Council is not maximising the opportunity to use their knowledge and experience.

## **A sustained focus on what matters**

- 76 In high performing councils, senior managers and councillors know what matters to local people and use this information to set clear and consistent priorities. They focus on achieving impact in priority areas and concentrate effort and resources in proportion to priority.
- 77 The Council clearly aspires to improve its recycling performance as measured by national indicators and this is reflected in service plans and actions. It has adopted the Staffordshire joint waste management strategy (WMS) and developed an outline local implementation plan to deliver it.
- 78 The Council has responded to public concerns in some cases but consultation is not consistently used to improve the service. The Council deployed a rapid response unit in response to feedback from the public and the ambition to extend kerbside recycling across virtually the whole borough by March 2006 is in line with local and national aspirations. The Council is currently gaining residents' views on implementing the garden waste collection scheme including using the Council's website. However, there is no proactive and systematic approach at service level to communicate with customers to improve the service and ensure it is in line with what local people want.
- 79 Members have only recently approved the Council's plans and made decisions on the future of recycling. To date, the Council has been slow to address its low recycling rate and will not meet its LPSA stretch target for recycling in 2004/05, but is confident of meeting the 2005/06 target of 18 per cent with its garden waste collection and extended kerbside collection.

- 80 The Council is focused on improving access for local people to its services. In December 2004, the Council implemented improvements to its call handling systems which have made it easier for people to contact the Council and have their queries dealt with promptly. This is part of moving towards a new customer contact centre and improving business processes, with the aim of dealing with over 80 per cent of calls at first contact. Waste services are seen as a priority in this initiative.
- 81 There are some gaps in the strategic and service planning framework for waste services. Corporate plans only commit the Council to meeting government targets for recycling and show increasing waste levels. Frontline staff in waste services are not set individual performance targets linked to service plans. The local agenda 21 strategy is also out-of-date and due to be reviewed in 2005/06 to reflect the Council's broader aims relating to the environment.
- 82 The extent to which resources within the service are targeted on priorities is weak. For example, street cleansing and enforcement are recognised as areas for improvement but reviews have been in progress for over two years and outcomes will not be known until September 2005. The draft service plan for 2005/06 details 18 improvement projects of which 17 are deemed high priority and many are to be done within existing resources. There is some ad-hoc co-ordination of resources between services on a day-to-day basis such as in street cleansing and grounds maintenance but a formally integrated approach is yet to be developed.

## **Capacity and systems to deliver performance and improvement**

- 83 Successful councils have sound performance management systems and effective financial management including flexibility to move money and people to tackle the most important problems. They have clear lines of accountability for action and have the skills to build effective partnerships to help bring about improvements.
- 84 Performance management systems are developing but are not fully embedded and require further development to become sufficiently effective. For example, the service monitors performance against internal standards but it is not published, BVPI 199 information is not used routinely to target areas for changes in street cleansing frequency and analysis of kerbside recycling participation has not been completed to target improvement activities. Internally, the service is yet to implement a systematic approach to staff appraisal and identify training and development needs for frontline staff (which is a priority in the CPA improvement plan) and has only recently started to address high sickness levels in street cleansing.
- 85 The service is unable to demonstrate that it currently delivers value for money in all aspects. Although the cost of refuse collection is below average compared with other councils and public satisfaction is high, internal performance information shows that the costs of delivering refuse collection and street cleansing services have increased at a faster rate since 1998 than would be expected from operational changes. In addition, the service is unclear of the true cost of some of its activities such as trade waste collection.
- 86 The Council has moved financial resources to tackle important problems in some areas of the service. For example, in 2005/06 it has provided an extra £270,000 for recycling and some additional resources for enforcement. However, movement of resources to improve other areas such as street cleansing are not as clear and the Council has not identified those areas which are deemed lower or non-priority.

- 87 The service's recent track record is mixed. The service improved in terms of satisfaction with refuse collection and recycling which are both now top quartile. However, the rate of recycling remains in the bottom quartile and the Council did not meet its statutory target for 10 per cent or LPSA target of 15.4 per cent. Also, performance was below average for street cleanliness (BVPI 199) and satisfaction with street cleanliness.
- 88 In some areas of the service there are examples of where limited capacity is impacting on service delivery. There has been limited work on education in the community and enforcement activity on littering. Plans to replace the ageing refuse collection fleet have been impacted by delays in making decisions on the waste strategy which is now affecting the cost effectiveness of the service. Although it has identified a range of options, the Council has yet to decide how it will source vehicles in the short and long-term.
- 89 Although member involvement and challenge is now increasing, in the past members have not sufficiently championed the service. Members have now agreed plans to improve recycling including a free garden waste collection. The Council recognises that further member development is needed and has made a joint bid to central government with other councils in Staffordshire for capacity building funds.
- 90 The Council has worked positively with partners in developing the strategic direction for waste management services and is committed to the county-wide effective procurement project recently initiated in conjunction with the West Midlands Centre of Excellence, which has the potential to deliver significant benefits in the longer-term. However, partnership working at a service delivery level is still developing and in the early stages of projects such as a joint approach to education and promotion and possible joint procurement with individual other authorities such as on sourcing vehicles.

## **Integration of continuous improvement into day-to-day management**

- 91 Continuous improvement should be seen as part of the day job, with best value integrated with other council performance management processes, not treated as an add-on.
- 92 Officers and frontline staff are committed to the service and to delivering improvements to the public. However, low morale is an issue in the service with a significant number of staff who felt overstretched, frustrated with outdated working practices and the need for better communication with managers and members.
- 93 The Council's Comprehensive Performance Assessment in 2003 identified weaknesses in its corporate capacity for change, under-developed staff and member capacity and inconsistent application of HR strategies. At a service level, these weaknesses are still evident with delays in progress on reviews, a lack of political leadership for the service, a history of high sickness absence and no performance appraisals for frontline staff.
- 94 The Council is developing its approach to benchmarking and applying best practice. Visits have been undertaken to best performing councils to inform decision making in the introduction of the kerbside collection. However, the Council has not yet developed a systematic approach to benchmarking and sharing learning across the service overall.

- 95 Customer feedback is not routinely sought as a driver for service improvement. For example, a residents' survey identified that street cleanliness is important to local people but the Council has yet to develop detailed plans to improve service provision.
- 96 The service has yet to develop an outcome based approach to establishing the success of the initiatives it undertakes. The lack of measurable outcomes, for example in the areas of enforcement and also education and promotion makes it difficult to assess what impact the actions taken by the Council have achieved.

## Summary

- 97 We judge that Newcastle-under-Lyme Borough Council's waste management service has uncertain prospects for improvement. Points to highlight are that:
- ◆ the Council is committed to improving waste services and acknowledges there are significant areas for improvement to address;
  - ◆ resources are being put in place in the short-term to improve recycling, education and enforcement; and
  - ◆ there are local plans to deliver the county-wide waste management strategy and meet targets for recycling.
- 98 However, there are a number of weaknesses:
- ◆ there has been a lack of political leadership to drive and champion waste services and decision making has been slow which has impacted on the service;
  - ◆ much of the work is in the development phase and the likely impact is unclear and will not be felt for some time such as on street cleansing;
  - ◆ funding levels needed to sustain the service and the planned improvements beyond 2005/06 are uncertain; and
  - ◆ performance and project management are not yet fully embedded in the service.

## Appendices

The purpose of a best value inspection is to make two judgements. The first is how good is the service being inspected? The second is what are the prospects for improvement? We carried out a range of activities to enable us to reach our judgements.

### Documents reviewed

Before going on-site and during our visit, we reviewed various documents that the Council provided for us. These included:

- ◆ Newcastle-under-Lyme Borough Council Best Value Performance Plan 2004/05;
- ◆ corporate objectives;
- ◆ community strategy;
- ◆ waste strategy documents;
- ◆ waste management service plans and budget information;
- ◆ Local Agenda 21 plan 1999;
- ◆ waste tonnages data and performance information; and
- ◆ promotional and educational material.

### Reality checks undertaken

When we went on-site, we carried out a number of different checks, building on the work described above, in order to get a full picture of how good the service is. These on-site reality checks were designed to gather evidence about what it is like to use the service and to see how well it works. We also followed up on issues relating to the management of the review and the improvements flowing from it. Our reality checks included:

- ◆ visit to the bring sites and civic amenity site at Leycett;
- ◆ observation of waste collection operations;
- ◆ telephone interviews with partners; and
- ◆ visits to open spaces and Newcastle-under-Lyme town centre.

## List of people interviewed

Chief Executive

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Head of Community Services

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Head of Service and service managers

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Recycling officer

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Deputy Leader, Portfolio Holder for the Environment, and Scrutiny representative.

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Focus groups of frontline staff and customer service staff

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Finance representatives

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Enforcement Officer

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Trade Union representatives

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Head of Legal and Democratic Services

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Internal Audit

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Best Value officer

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Customer service manager

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Transport manager

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Research and development officer

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Audit Manager telephone call

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Parish councils, customers, partners (other councils, contractors) – telephone calls

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## Improving public services

The Government has placed a duty upon local councils to deliver services to clear standards – of cost and quality – by the most economic, efficient and effective means available.<sup>13</sup> Best value is a challenging framework that is designed to improve local services. Councils are required to assess their own performance and put in place measures to ensure continuous improvement in all of their services.

Councils must show that they have applied the four Cs of best value:

- ◆ **challenging** why and how a service is being provided;
- ◆ **comparing** their performance with others' (including organisations in the private and voluntary sectors);
- ◆ embracing fair **competition** as a means of securing efficient and effective services; and
- ◆ **consulting** local **taxpayers**, customers and the wider business community.

The Government has decided that each council should be scrutinised by an independent inspectorate. The Audit Commission performs this role.

The purpose of the inspection, and of this report, is to:

- ◆ enable the public to see whether best value is being delivered;
- ◆ enable the Council to see how well it is doing;
- ◆ enable the Government to see how well its policies are working in practice;
- ◆ identify failing services where remedial action may be necessary; and
- ◆ identify and disseminate best practice.

<sup>13</sup> This report has been prepared by the Audit Commission ('the Commission') following an inspection under Section 10 of the Local Government Act 1999, and issued in accordance with its duty under Section 13 of the 1999 Act.