

Service Inspection Report

February 2006



# **Environment - Waste across Essex**

**Essex County Council**

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## Service Inspection

This inspection has been carried out by the Audit Commission under section 10 of the Local Government Act 1999 and is in line with the Audit Commission's strategic regulation principles. These principles embody the objectives of our Strategic Plan and Strategic Regulation. They also reflect the principles from *The Government's Policy on Inspection of Public Services (July 2003)*.

Audit Commission service inspections should:

- focus on public service outcomes from a user perspective;
- act as a catalyst to help inspected bodies improve their performance;
- concentrate inspection work where it will have most impact, so that it is proportionate and based on an assessment of risk;
- be based on a rigorous assessment of costs and benefits, with a concern for achieving value for money both by the inspected organisation and within the inspection regime itself;
- be, and be seen to be, independent of the inspected organisation;
- report in public, using impartial evidence to inform the public about the performance of public services so as to enhance accountability;
- involve collaborative working with other inspectorates and external review agencies to achieve greater co-ordination and a more holistic approach to the assessment of performance by audited and inspected bodies;
- share learning to create a common understanding of performance that encourages rigorous self assessment and better understanding of their performance by inspected organisations;
- be carried out objectively by skilled and experienced people to high standards and using relevant evidence, transparent criteria, and open review processes; and
- enable continuous learning so that inspections can become increasingly effective and efficient.

We assess services using published key lines of enquiry (KLOE) to inform our judgements. The KLOEs can be found on the Audit Commission's web site at [www.audit-commission.gov.uk](http://www.audit-commission.gov.uk).

This report is issued in accordance with the Audit Commission's duty under Section 13 of the 1999 Act.

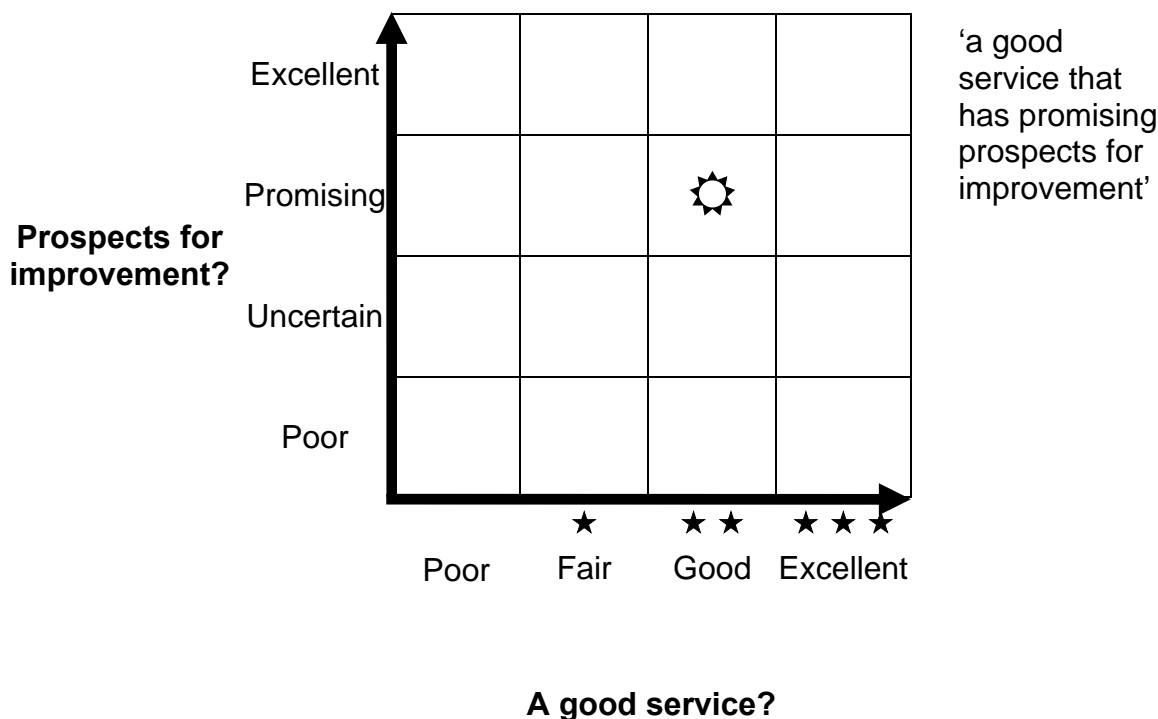
## Summary

- 1 Recycling and composting rates continue to improve. The county met its statutory recycling target for 2005/06 a year early, and in particular the County Council provide civic amenity and recycling sites that make a positive contribution to recycling. However, the Council has been less successful in tackling waste minimisation and levels of waste continue to increase (as it does nationally). The Council has also not been successful in minimising and recycling the waste it produces itself.
- 2 A wide range of promotional and educational activities are aimed at increasing recycling and composting, and encouraging people to think about the waste they produce, such as the Essex Nappy Project. Assistance to schools is diverse and flexible to school needs but most school children do not have the opportunity to participate because of limited staff and equipment.
- 3 The Council has clear targets to continue to increase recycling and has worked well with its partners, including the district councils, to develop the joint waste management strategy. Three area committees are pursuing options for joint working, which has already delivered some initiatives, such as promotion and education. The partnership (with the district councils) has responded well to changes, such as recognising that the initial proposal for seeking integrated contracts did not appear to be feasible, and developed new proposals, to be completed within the same time-scale, which are potentially more realistic and achievable.
- 4 There is sound leadership at both political and managerial level and staff show a focus on seeking to improve the service for the benefit of users.
- 5 The County Council has a mixed track record on driving improvements. It has invested heavily in improving the waste partnerships across Essex, resulting in joint funding bids, and has implemented some large environmental improvements, such as purchasing electricity from renewable sources for county hall, and installing solar collectors. Some other initiatives have slipped, and targets either missed or have not been reported. Costs are high and have risen faster than targeted.
- 6 The Council has taken some action to minimise risk, such as securing a site for a waste recycling and treatment plant in the south of the county, although planning permission has yet to be secured and arrangements to support the chosen waste treatment option are still being explored.

## Scoring the service

- 7 We have assessed Essex County Council as providing a 'good', two-star service that has promising prospects for improvement. Our judgements are based on the evidence obtained during the inspection and are outlined below.

**Table 1 Scoring chart<sup>1</sup>:**



Source: Audit Commission

- 8 The service is a good, two-star service because:
- recycling and composting has increased and the county met its statutory recycling targets for 2005/06 a year early, recycling 30 per cent of household waste in 2004/05, although this is not in the top performing 25 per cent of county councils;
  - the civic amenity and recycling sites are accessible and well run. Changes have been made following consultation and comments, and the service supports current Council objectives. In 2004/05 these sites recycled 58 per cent of the household waste deposited there;

<sup>1</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.

- partnership working, with the district councils, is starting to deliver improvements, including kerbside schemes and increasing participation in recycling;
  - there is a proactive education and promotion campaign encouraging people to recycle, compost and reduce waste, such as the Essex Nappy Project. However, limited staff and equipment mean that most schools are not seen by the service; and
  - the service is inconsistent in assessing the impact of some initiatives and is therefore unable to demonstrate that what it is doing is always effective or delivering value for money. Costs for waste management remain high and have increased faster than targets, and waste levels continue to increase.
- 9 The service has promising prospects for improvement because:
- there is a clear, well managed, project plan for improvement which has clear targets and has proved flexible enough to accommodate changes;
  - the partnership (with the district councils) has responded well to changes, such as recognising that the initial proposal for seeking integrated contracts did not appear to be feasible. New proposals have been developed, within the project plan, and these proposals, for separate collection and disposal, are potentially more realistic and achievable;
  - there is sound leadership at both political and managerial level and staff show a focus on seeking to improve the service for the benefit of users. The Council has been instrumental in developing improved working partnerships with district councils, which has already helped increase recycling rates;
  - however, costs have risen and are above anticipated levels. It remains unclear whether efficiency initiatives have been robustly pursued, although there is a clear intention to examine options. Waste levels have continued to rise in line with the national trend; and
  - there remains some uncertainty about the plans for the future. The Council has taken action to minimise risks, including securing a site (identified in the Waste Local Plan) in the south of the county, but planning permission is still required. The joint area committees continue to pursue joint working but there are no firm proposals yet, although the Council is putting in place initiatives to ensure it meets its statutory requirements.

## Recommendations

- 10 To rise to the challenge of continuous improvement, councils need inspection reports that offer practical pointers for improvement. Our recommendations identify the expected benefits for both local people and the council. In addition we identify the approximate costs<sup>1</sup> and indicate the priority we place on each recommendation and key dates for delivering these where they are considered appropriate. In this context the inspection team recommends that the council should do the following.

*R1 Ensure that the corporate focus on future delivery of waste disposal in the county is maintained, with:*

- *delivery in accordance with clear timescales, as identified in the existing project plan, and decisions made in a timely and appropriate manner; and*
- *the adoption of a more facilitating role in its support and encouragement for partner councils and in promoting and securing waste collection services that complement the county council's aspirations as waste disposal authority.*

The expected **benefits** of this recommendation are:

- reduced risk of failing to meet the Council's obligations under the Landfill Allowance scheme; and
- that all those involved in waste management are clear on the implications and the chosen delivery routes.

The implementation of this recommendation will have **high** impact with **low** costs. This should be implemented immediately.

*R2 Ensure there is transparent corporate commitment and leadership to deliver policies on internal environmental stewardship.*

- *Policies on environmental issues, such as waste management, energy use and sustainability, need a sustained focus to ensure they are embedded within the Council's work.*
- *Policies should be supported by specific actions which lead to clear and explicit outcomes.*

The expected **benefits** of this recommendation are:

- higher visibility within the Council of good practice, demonstrating to both staff and members of the public, that the Council is 'practising what it preaches'; and
- reduced waste and energy use.

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<sup>1</sup> Low cost is defined as less than 1 per cent of the annual service cost, medium cost is between 1 and 5 per cent and high cost is over 5 per cent.

The implementation of this recommendation will have **medium** impact with **low** costs. This should be implemented as part of the Council's new strategic plan.

*R3 The service should ensure that local efficiency gains are not missed, in the drive to secure long term waste management arrangements.*

- *Pursue efficiency gains emanating from the establishment of the contact centre.*
- *Assess existing promotional activities, such as the outcome of educational work, and their role in progressing the council's objectives.*
- *Assess the costs and benefits of data entry against electronic data transfer.*

The expected **benefits** of this recommendation are:

- to enable the Council to identify whether resources are being spent in the most appropriate manner to deliver the aims and aspirations of the service and the Council; and
- to help deliver efficiency savings.

The implementation of this recommendation will have **medium** impact with **low** costs. This should be included in further service plan reviews.

# Report

## Context

### The locality

- 11 Essex is a large and diverse county of 3,469 square kilometres, located in the east of England. Regionally it is part of East Anglia, although it borders outer London boroughs to the south-west. There are three main urban areas (Basildon, Chelmsford and Colchester) which have populations of 150,000 or more and there are a large number of smaller towns and villages within the county.
- 12 There are 12 district and borough councils within the county. At local government reorganisation in April 1998, Southend-on-Sea and Thurrock became unitary authorities.
- 13 1,318,400 people live in 544,000 households (2001 census). The total population grew by 5.1 per cent between 1991 and 2001, and is expected to continue to grow with an estimated 131,000 new homes by 2020 including the Thames Gateway and M11/Stansted growth areas. 5.5 per cent of the population are from minority ethnic communities (that is, non-white British), which is below the national average of 13 per cent.
- 14 Unemployment stands at 1.6 per cent, lower than both regional and national averages. Average pay is higher than the national average. Overall deprivation is generally low: Essex ranks 120th least deprived of 149 local authorities. However, areas of urban and rural deprivation exist, and access to facilities and services is more difficult for people in outlying rural areas who do not drive or have cars.

### The Council

- 15 The Council comprises 75 councillors. The Conservative party has control, with 52 councillors. There are 13 Labour, 8 Liberal Democrats and two Independent councillors. A leader and cabinet system, comprising ten members from the majority party, govern the business of the Council.
- 16 The Council's overall revenue budget for the year 2004/05 was £1,241 million, with £138 million for capital expenditure. The Council employs 38,000 staff (including teachers), equivalent to 25,000 full time posts. The Council received a rating of 'Good' for its initial CPA assessment in November 2002.
- 17 The Council's overall aim, as set out in its corporate plan 'The Essex Approach' and updated in 2003, is to '*make Essex a better place to live and work*'. It included seven 'pledges for improvement' (the last two being added in 2003):
  - get Essex moving again, tackling road congestion and improving public transport;

- keep council tax as low as possible;
  - make it easier for teachers to teach;
  - give the elderly the support they need to stay in their own homes;
  - resist national plans for excessive new housing in Essex;
  - improve the environment; and
  - raise standards and extend opportunities for our children and young people.
- 18 The Council is currently reviewing its priorities as part the preparation for a new strategic plan which is due to be published in April 2006. It has already agreed four new strategic objectives, which are:
- ensuring service improvement;
  - guaranteeing value for money;
  - strengthening community leadership; and
  - enhancing Essex's reputation.
- 19 Overall the Council aims to make a 2 per cent saving year-on-year.

### **The council's waste and recycling service**

- 20 The responsibility for waste and recycling, and other environment activities falls to a number of business and service units across the Council. The majority of the work, covering household waste disposal, recycling and promotion is within the Waste and Recycling Branch which is part of the new Environment and Commerce Service Department.
- 21 The Waste and Recycling Branch manages the disposal of household waste (and other waste) collected by the district councils, the management of 23 civic amenity and recycling centres, management of 12 closed landfill sites and undertakes a range of activities in partnership with the district councils including promotion of waste awareness and the development of a countywide waste management strategy.
- 22 The majority of the work is carried out by companies contracted to the Council. Most waste is disposed via landfill sites and the Council has contracts with the owners. Some waste is composted at private sites. The civic amenity and recycling centres are run by two contractors although most sites are owned by the Council.
- 23 There are 37 staff employed within the waste and recycling branch. The service spends £37 million, which includes a £400,000 commitment to the development of the waste strategy and receives an income of £1.4 million from trade waste (revenue budget for 2005/06). In 2005/06 the Council received almost £3 million funding from external sources, including DEFRA, WRAP and the Essex Environment Trust.

- 24 The waste and recycling service has been working in partnership with the district councils for a number of years. There is a joint municipal waste management strategy (JMWMS), which includes targets for individual councils, and has been agreed by the County Council and all the district councils. There has been joint working on practical initiatives, such as 'high diversion' trial schemes in Braintree and Colchester.
- 25 More recently, the district councils and County Council have been working on a major plan to integrate collection and disposal arrangements in order to facilitate higher recycling rates and minimise the landfilling of waste. The district councils and County Council have established joint working groups and areas committees and have been examining the potential for integrated contracts.
- 26 Working groups and area committees have spent a considerable amount of time examining and appraising options with the ultimate aim of letting three contracts, based on the east, west and Thames-gateway areas of the county. These contracts were expected to deliver both the collection systems (currently provided by the district councils) and the disposal of the waste. However, recent events have demonstrated that this was unlikely to either deliver the best practicable option, or to be acceptable to the individual councils. Proposals have now changed. The three area committees still exist, and there are still plans to integrate collection and disposal, although this will no longer be constrained by councils having to link contracts together. The role individual district councils take in this is still evolving, but this no longer proves critical to resolving the options for letting contracts for the disposal of waste.
- 27 We inspected waste management in Essex County Council in 2001 and judged the service to be a GOOD, two-star, service with uncertain prospects for improvement. This inspection, carried out in October 2005, has used a new, more rigorous set of criteria.

### **National context - waste management**

- 28 Waste Disposal Authorities (WDAs) and Waste Collection Authorities (WCAs) carry out waste management functions. Essex County Council is the WDA and the district councils are the WCAs. Southend and Thurrock, as unitary authorities, are responsible for both collection and disposal of household waste in their areas.
- 29 The Government has set objectives for local authorities to reduce the amount of waste that is collected and to encourage more recycling. Essex's minimum target for recycling and composting was 20 per cent by 2003/04 and is 30 per cent by 2005/06.
- 30 Under the Waste Emissions and Trading Act 2003 each WDA has been given allocations of biodegradable waste that may be landfilled for each year from 2005/06 to 2019/20, consistent with the United Kingdom meeting its obligations under the European Landfill Directive. WDAs may trade these allocations with one another. They face a penalty of £150 per tonne of waste landfilled in excess of their allocation (augmented by any allocation they have purchased from another WDA).

## How good is the service?

### What has the service aimed to achieve?

- 31** The Council has clear and explicit plans for waste management, including recycling, composting and waste minimisation. The Council's strategic plan, updated in 2003, included a commitment to minimise waste and maximise recycling by:
- promoting lasting awareness so that waste is regarded as a valuable resource rather than discarded materials;
  - encouraging the development of recycling industries and markets for products made from recycled materials through ReMaDe Essex;
  - providing more convenient civic amenity sites, offering a wide range of user friendly recycling opportunities; and
  - increasing recycling and composting countywide.
- 32** The Council has established clear targets for the service, including national targets and local targets. These are covered in the Council's strategic plan, service plans and in the JMWMS, which the Council has signed up to.
- 33** The Council's minimum recycling standard set by the government of 20 per cent in 2003/04, rising to 30 per cent in 2005/06. The Council has set its own target of 37 per cent recycling and composting by 2007/08 and the waste strategy commits to an overall recycling and composting rate for the county of at least 40 per cent by 2009/10.
- 34** Targets for waste minimisation have not been as clear as for recycling although the Council has now reviewed and strengthened targets in this area, setting a target equivalent to a one per cent increase in waste (per head) for each year, below the national average of 3 per cent. The Council has then set a target of no further waste growth (per person) between 2006/07 and 2007/08.
- 35** There are clear targets for increasing recycling and minimising the amount of waste produced within county hall. There are clear targets also for the amounts of waste to be recycled at the civic amenity and recycling sites across the county.
- 36** However, evidence of commitment, by way of target setting for wider environmental issues has been unclear, and does not reflect the Council's intention of 'respecting the environment'. An indicator for energy use has been identified but there are no targets set and performance was not reported for 2004/05. There is a target for the number of business miles per head of staff, but a previous target for water use is no longer reported.

## **Is the service meeting the needs of the local community and users?**

- 37 In making the overall judgement as to whether the service is meeting the needs of the local community and users we have used a set questions covering access and diversity, service outcomes and contributions to the national agenda. The full Key Lines of Enquiry can be found on the Audit Commission's web site.

### **Access and diversity**

- 38 Overall, access to the service is good. The (new) customer contact centre deals with the bulk of telephone queries, and is available 12 hours each weekday, and Saturday mornings. Users with special needs can be dealt with, for example, through minicom systems. A wide range of up to date information is available on the Council's web-site, including a constantly updated Frequently Asked Questions and there is accurate and up to date information on recycling rates and materials that can be recycled. Leaflets are widely available and include details on how to obtain the information in alternative formats. This means that people seeking information can find the answers easily.
- 39 The Council is responsive to the needs of users and local people. A wide range of consultation has taken place on a variety of issues including the waste strategy, and the Council, and its partners, have responded by including issues of importance in the strategy. Customer comments and complaints have been used to help review the service. For example, the Council reviewed the civic amenity and recycling service provision and used customer feedback to help inform decisions such as the clearance on the height barriers, the use of trailers on the sites and the policy on accepting soil and hardcore. This demonstrates that the Council does consider the needs of users when making changes to services.
- 40 Civic amenity sites are accessible to most local people. There are 23 civic amenity and recycling sites across the county, with the majority being open seven days a week and, during summer, opening late on one night a week. Sites are maintained in a clean and safe manner and help, for unloading, is available if requested. However, the majority of sites require waste to be carried up steps, or between queuing cars, and whilst help is available the availability of this service was not promoted across all sites. The Council is aware of this and intends to carry out further assessments of its sites. Overall, people are satisfied with the service provided. In 2003/04, 86 per cent of residents surveyed were satisfied with the civic amenity site service provided, which was in the top performing 25 per cent of councils in England.
- 41 Access to recycling and hazardous waste disposal is good. Information is available from the customer contact centre and the civic amenity and recycling sites accept a wide range of different materials for recycling and disposal, including small quantities of difficult waste, such as engine oil and chemicals which could cause damage to the environment, and harm health, if not disposed of properly. This helps in encouraging local people to treat their local environment with respect.

### Waste management - minimisation, recycling and composting

- 42 The Council has been successful in increasing the amount of household waste recycled across the county. In 2004/05, a total of 30 per cent of household waste was sent for recycling in Essex, meeting the Council's stretch Local Public Services Agreement (LPSA) target, and achieving the Council's statutory minimum for 2005/06 a year early. At 30 per cent, Essex is recycling and composting more household waste than most councils, although it is not in the top performing 25 per cent of county councils.
- 43 The Council has made a positive contribution to recycling across the county. Recycling levels at the civic amenity and recycling sites is very high, averaging 58 per cent for 2004/05, and on target to exceed 60 per cent this year (figures exclude the recycling of soil and hardcore). The Council has also worked with the district councils, as partners, to help improve recycling rates on kerbside collections, by securing external finances, working on promotion campaigns and helping co-ordinate initiatives. This has all helped increase the levels of household waste sent for recycling and composting across Essex.
- 44 Working in partnership with district councils is beginning to deliver improvements. The Council supported initial trials schemes, for example in Colchester and Braintree, to assess the potential recycling rates that could be achieved. The high diversion trials have achieved good levels of recycling. Recently, district councils and the County Council have worked together to secure additional money, from DEFRA, which some districts have used to expand kerbside collection schemes, and to help promote existing schemes, especially in areas where the amount recycled remained lower than expected. The WCAs recycled 23 per cent of the household waste they collected in 2004/05, and three have already met, or exceeded, their 2005/06 statutory targets. The recycling rates of all district councils in Essex increased between 2003/04 and 2004/05.
- 45 Despite promotion and home composting initiatives, the Council has not been successful in minimising the amount of waste produced. Overall, the amount of household waste (based on figures per head of population) is increasing (as it is nationally) although improvements in recycling have off-set increased waste levels and the Council landfilled less waste in 2004/05 than in the previous three years.
- 46 Although there are clear targets for improvement, the Council has not been as successful at recycling or reducing the amount of waste it produces itself. The Council's own monitoring recorded 182 kg of waste (per person) being created in 2004/05, 21 per cent above the target of 150 kg. Office moves and refurbishments may have accounted for the higher levels of waste produced, and initial figures for 2005/06 show a reduction in waste levels. The prominence of recycling varies across county hall, with high profile schemes in some parts and no apparent recycling in other areas. Thirty eight per cent of waste from county hall was recycled, below the target of 50 per cent. Work has started on examining the potential for improved recycling at other Council venues, such as Country Parks, although there are no firm plans at the moment.

The majority of waste generated by Essex county council is still disposed of at landfill sites, although initial figures for 2005/06 show the amount of waste recycled is increasing.

### **Generic environment and promotion**

- 47 The Council is working well with partners to promote recycling, composting and waste minimisation. A wide range of promotional activity is undertaken involving both the county council and the district councils. This promotion is joined up, with good working across boundaries. The Council runs roadshows and helps co-ordinate county wide promotion, including the *Don't Rubbish Essex* promotion. District councils have used common design themes which have helped reinforce the recycling message across the county.
- 48 Good use is made of the Council's own assets to help promote the recycling message. Civic amenity and recycling sites include information and promotional boards, and most sites have a range of leaflets available. A wide range of information about recycling and re-use is available on the Council's website, including downloadable versions of re-use and recycling guides, and information for groups and schools.
- 49 The Council is investing in promotion to encourage people to think about the amount of waste they produce, and what they can do to reduce their overall environmental impact. There are high profile campaigns to encourage home composting and for the use of cotton nappies for babies. Training, resources and on-going support, have been provided to health care professionals so that they are aware of the waste impact of disposable nappies. The Council has evaluated the scheme, following up with parents who had indicated interest, to find out whether they continued to use cotton nappies and estimating how much waste had been avoided as a result. Overall, the Council is active in encouraging householders to think about their role in reducing waste.
- 50 Old landfill sites are reclaimed and made available for public use with links to the Council's country parks service. Environmental considerations, including issues such as biodiversity, are considered when reclaiming the sites.
- 51 The Council works with schools to help integrate waste management issues into the national curriculum. A wide ranging programme is offered to primary schools, including visits supported by the *Recycling Bus*, with follow up visits also available to encourage schools to start recycling themselves. However, the service does not have enough staff or equipment to visit all schools and the majority of schools and school children do not receive a visit. The Council has not assessed whether an extension of this particular programme would be an effective way of further awareness raising, even at the expense of some other initiatives.

- 52 The high profile of promotion aimed at residents is not replicated within the Council. There is very little information on the intranet site, and, as an example, staff were critical that more was not done to encourage car sharing. There is a mixed approach to wider environmental initiatives within the Council's own buildings. County hall uses energy derived from renewable resources, and there are well developed plans to install photovoltaic solar cells on the roof. However, staff were frustrated about 'lights left burning'; catering and refreshments being provided in individual non-recyclable packs and laudable initiatives such as the introduction and use of two 'environmentally friendly' pool cars for use by staff on official duties not being extended.

### **Is the service delivering value for money?**

- 53 Costs for waste disposal are high. The Council is tied into existing landfill disposal contracts. Some of these contracts include a cost escalator which is causing the price to increase faster than inflation and the Landfill Tax. The Council draws attention to difficult geographical issues, including the size of the county and issues relating to the high cost of landfill in this part of the country. These factors undoubtedly present a significant challenge, but the fact remains that the Council is paying more than most for its waste management services. Indeed, in 2004/05 the council's cost of waste management was equivalent to £52.17 per tonne, above its own target of £50.50 per tonne.
- 54 The Council has focussed on solving the major problems it faces over waste management, but it is unclear whether the potential for internal efficiency gains has been fully explored. Some responsibility, for handling telephone calls and responding to public queries, has been transferred to the contact centre yet it is unclear whether efficiencies arising from the establishment of the new centre have been fully realised. Data from landfill sites is still manually entered onto computer databases, and the output manually transferred to computer spreadsheets. Electronic transfer of data has been explored but was not considered to deliver value for money. The Council intends to include electronic transfer of data in the new disposal contracts.
- 55 Nevertheless, there are some individual actions and initiatives that do seek to secure better value for money. Loads for landfill sites are monitored closely and switched between sites in order to maintain the most cost effective level of tonnage into each site. Similarly, a new contract was negotiated for the disposal of refrigerators, with a consequent reduction in unit costs.

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

### What is the service track record in delivering improvement?

- 56 The JMWMS has set clear targets to minimise waste delivered to landfill and increase recycling. Its favoured approach is for high levels of recycling supported by the biological treatment (such as composting and anaerobic digestion) of waste that can not be recycled. To this end, the district councils and County Council have been working towards letting joint collection and disposal contracts, possibly under the Government's Private Finance Initiative (PFI). A considerable amount of time has been spent examining options and preparing plans for joint contracts. However, it has recently been decided that these plans do not represent the most appropriate way forward for the county. Partners are still working together to examine the best way to achieve their objectives which is still based on ensuring that the collection and disposal systems integrate.
- 57 The Council has worked hard with its partners to develop the waste strategy, and strengthen the partnership between itself as the agency who disposes of waste and the district councils who collect waste. District councils were consistent in their views that it was the county council who had provided the drive and enthusiasm to strengthen the partnership. There are three area committees pursuing the prospects for joint working - at both district level and with the county council. These committees have delegated powers to decide on contract structures for collection, although individual councils retain the right to make the final decision on contracts. Although commitment to joint working varies amongst district councils, and it is not yet clear how all the partners will achieve their individual targets within the strategy, the partnership has clearly evolved and responded to changes. Working in partnership has enabled joint initiatives, for example on promotion and education. The value of the committees is demonstrated by the fact that they are being retained, even though the originally proposed integrated collection and disposal contract is not being pursued.
- 58 The Council has responded to reviews of its services, and made changes to improve outcomes for users of the service. In 2004 the Council reviewed various operations at the civic amenity and recycling sites and has made changes, including increasing barrier heights, revising the limit on soil and hardcore that could be disposed of, and making facilities available for householders to dispose of soil and hardcore elsewhere. Such changes followed feedback from users, have made a positive impact and, as a result, recycling and composting rates have increased. The use of incentive based contracts and positive actions such as the introduction of improved signs, have also provided direct benefits and outcomes. Changed layouts look to ensure that, in most cases, users of sites visit the recycling containers first.

- 59 Recycling rates have improved. The amount of household waste recycled has increased from 25 per cent in 2003/04 to 30 per cent in 2004/05, achieving the minimum standard required a year early. Recycling rates, at the civic amenity and recycling sites, increased from 49 per cent in 2003/04 to 58 per cent in 2004/05. The Council is estimating that rates for 2005/06 will be in excess of 60 per cent. Less waste is landfilled as a result of increasing recycling rates. However, the Council is not recycling as much as it had targeted to recycle previously. In its Best Value Performance Plan for 2001/02 the Council set a target of recycling 40 per cent by 2003/04. This was later revised down to 27 per cent, but the actual amount recycled in 2003/04 was 25 per cent.
- 60 The Council has not been able to demonstrate a consistent approach to value for money in waste management, although it has intentions to do so. The Council considers there is scope for efficiency savings within existing contracts, and has started negotiations.
- 61 There is an inconsistent track record on environmental stewardship within county hall. This extends beyond the issues referred to earlier in the report. Some local indicators exist, for example, on reducing the miles travelled per staff member on council business, but other indicators, such as energy use, are not reported. The Council set a target, in 2001, to reduce water use by 25 per cent in 2004/05 but the results of this have not been published. Some initiatives that were introduced, such as providing water in jugs instead of bottles (to reduce waste) have slipped. However, there are some significant initiatives that have been completed or are progressing, such as using electricity from renewable sources for county hall, and installing solar collectors on the roof of county hall. There is an intention to roll out an Environmental Management System across the whole Council, and this is initially being explored through the Country Parks services. Overall, there are some good initiatives that have been undertaken, but improvement has not been consistent with published plans.

### **How well does the service manage performance?**

- 62 There are clear improvement priorities for waste management. The Council has been instrumental in developing the JMWMS which sets clear targets for recycling and composting across the county, with clear and concise figures to indicate the commitment required by the county council. This is subsequently reflected in service plans and the Council's corporate performance plan. This clarity helps with service planning and in demonstrating commitment to partners.
- 63 The Council demonstrates strong political support for, and awareness of, the needs of the service. Leadership at both political and managerial level is a strength and staff working within the service feel involved.
- 64 Consultation with users and recognition of future risk has been instrumental in setting priorities. There has been good consultation with users over the waste strategy and the new community strategy. These have been used to set targets. There is a clear recognition of the risks facing the Council, both financial and reputation, if it fails to secure adequate and appropriate waste management arrangement.

- 65 Many new systems that impact on the corporate focus of the Council are still emerging. Performance management across the organisation as a whole is recognised as being in need of further development. The council has started to address the issues with the establishment of a new performance and planning team and a programme of change. Reporting within the service is currently by way of monthly reports to the portfolio holder, quarterly reports to cabinet and six monthly to full council. The recently agreed performance framework for the organisation as a whole is clearly linked to council priorities. The system is not yet embedded across the whole council, although some service plans are already linked to the new corporate plan. Staff appraisals are in place and the Council recognises that these will need refreshing in order to link with the emerging Corporate Plan priorities.
- 66 Although the Council's formal scrutiny arrangements are still developing, the waste partnership is open to scrutiny, through publicly held meetings and by the adoption of a procedure that allows the scrutinising of key decisions and actions of the area committees. Scrutiny of the service within the County Council's constitution is through a policy development group (PDG), which the former portfolio holder for the service currently chairs. The group provides a useful forum for assessing the effectiveness of proposals for improving the service. The Council has actively sought challenge of its own waste management arrangements, for example by seeking an external peer review of arrangements.
- 67 Current systems for producing performance information on the waste service are largely reliant on manual entry of data. This can delay the production of information. There is no facility for the automatic generation of reports, and this increases the potential for errors.

### **Does the service have the capacity to improve?**

- 68 In partnership with the other authorities in the county, the Council developed the JMWMS and has explored the benefits of integrated contracts through a joint procurement exercise. By December 2004, all members of the partnership had endorsed the draft strategy, signed up to explore the possibility of joint procurement and supported the establishment of three area joint committees, with delegated powers to develop the procurement process. The proposal was to include within integrated contracts both collection and disposal of waste in order to meet challenging landfill diversion and high recycling targets.
- 69 The County Council has invested heavily in this exercise and has worked hard to ensure continuing interest and involvement of the district councils. Detailed work has been undertaken on a range of procurement options. The district councils themselves have been careful to protect the interests of their particular residents in terms of the level and method of collection, but have remained supportive of the principle of joint procurement. However, the variations in the requirements of individual districts led to an over-complicated set of options for potential service providers and the decision has now been taken to effectively de-couple the waste collection and disposal elements from the contracts. It remains the intention to design and implement collection systems that support the waste recycling and treatment methods selected.

- 70 The County Council is keen that the districts should continue to pursue the principle of joint collection (on a three area basis). At this stage it is not clear whether all 12 of the district councils will ultimately subscribe to that particular approach, although the districts are indicating a willingness to continue to explore the possibilities. The change in emphasis away from the originally proposed integrated contract will require the County Council to change its approach. The Council will need to adopt more of a facilitating role to support the district councils' intention to have waste collection services that support the waste treatment options proposed. It is too early to say whether the changes will be successful.
- 71 In the meantime, the County Council is pursuing with urgency a waste disposal solution that will enable it to fulfil its statutory obligations, by the most cost effective means and without incurring penalties for landfill use. It is likely that two disposal facilities will be needed in Essex and the Council is well advanced in its negotiations for the lease of a site in Basildon which is identified in the Waste Local Plan. The Council, together with the private landowner, intend to pursue a planning application for this site to cover recycling and biological treatment of the residue. The council, and partners, have also investigated the risks and liabilities inherent under the Landfill Allowance Trading Scheme (LATS). It has responded to this investigation and is taking action to mitigate against these risks. But it is unlikely that the required infrastructure will be in place by the 2009/10 and the Council is likely to have to seek to buy allowances from other councils, at a price that has not yet been determined.
- 72 Following the appointment of a new Chief Executive in January 2005, a new senior management structure has been designed to deliver effective management and leadership based on the council's clear priorities. The structure is beginning to have a positive impact on the way that the council operates and has the support of senior staff and politicians. Within this corporate and strategic framework, waste management is recognised as a key priority area.
- 73 The Council recognises the need for effective investment and resource planning in order to meet future needs. It is revising its medium term financial strategy (MTFS) to try and ensure that future demands for the service can be met, without prejudicing the delivery of the Council's other priorities.
- 74 The service itself has sought to ensure that it has the capacity to drive improvements, with an expanded and committed team, enhanced project and procurement knowledge and the practical use of consultants to provide specialist advice when needed. The timetable for providing the new arrangements for waste disposal is tight, but the service is equipped to meet the challenge.
- 75 The significant investment of time, energy and finance in trying to secure the original plans for a fully integrated contract might not prove to have been the most cost effective means of achieving the Council's objectives for waste disposal. Nevertheless, it has secured the benefit of improved partnership working between the local authorities in Essex, which in the longer term could well provide benefits for local people beyond this particular service.