

Performance Summary Report

August 2007



Waste Management Service

City of York Council

Audit 2007/08

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Introduction

- 1 Best value places a duty on local authorities to review services, set targets for improvement, monitor progress and report the results.
- 2 To achieve these objectives a council will need to establish suitable arrangements for the delivery of its services in line with nationally-set challenges whilst accommodating local needs and expectations.
- 3 York City Council provides services for the collection and disposal of municipal waste from its area. In carrying out this work the Council is subject to a number of controls relating to waste collection, reduction, recycling, composting and disposal.

Background

- 4 York City had an inspection of its waste management service in 2004 which identified areas for improvement relating to:
 - customer service;
 - service delivery; and
 - performance management arrangements.
- 5 The Council is reviewing its waste disposal arrangements jointly with North Yorkshire County Council which includes future service provision through PFI arrangement. The Council is working with its partners in accordance with DEFRA and other guidance to minimise the risk associated with the waste disposal proposals relating to cost, performance, operational viability and community acceptance. The satisfactory resolution to these issues along with the achievement of ongoing improvements to the waste management service provides a considerable challenge to the Council.
- 6 The Audit and Inspection Plan for 2006/07 (AAIP) recognised audit risks that included 'waste minimisation presents a key risk to your financial health'. The AAIP included an action to carry out a follow-up of the Council's waste management inspection including a review of strategic planning for waste minimisation and the impact on financial health. The action also required an assessment of partnership working and performance management.

Audit approach

- 7 The scope of this piece of work is to look at how waste collection and disposal services are being provided in relation to the needs of local people and the requirements of national criteria for waste. As this work is updating a previous inspection and not a full inspection no score will be given.
- 8 The objective of the work is to determine how well the Council has responded to the findings of the 2004 inspection and to consider the progress being made in its proposals for future waste disposal arrangements. The work includes a review of the quality of ongoing service provision and the level of risk relating to the Council's proposals for future service provision. An assessment of performance management and waste partnerships will form part of this work.
- 9 The Commission has reviewed relevant service and corporate documents to identify the effectiveness of the Council's arrangements relating to its waste management service. The Commissions Environmental Inspection key line of enquiry (KLOE) relating to waste have been used as a framework for this review.
- 10 On-site interviews were carried out with appropriate people from within the service and councillors to clarify ongoing performance and to assess the effectiveness of the Council's proposals for the future.
- 11 The anticipated benefits and impact of this review will be:
 - an assessment of the waste management service's contribution to the Council's strategic priorities and vision for York, including its response to the recommendations of the 2004 review;
 - an analysis of the steps being taken to improve value for money (VFM) - in relation to the delivery of the waste management service; and
 - an assessment of the relative risks to the Council, associated with its preferred method of future waste management service provision.

This will enable the Council to focus on key issues associated with improving its waste management service and help it to prepare for the decisions needed to determine its preferred option for future service delivery.

Findings

Context

- 12 York is a nationally and internationally prominent city for a range of reasons, not only as a historical city and an important location for the Church of England, but also as one of the UK's most visited tourist destinations. The City of York Council covers an area of 105 square miles and comprises an urban area, which is surrounded by many small rural and semi-rural settlements. Around 85 square miles of the York area is greenbelt.
- 13 Approximately 185,000 people live in York but this increases by approximately 11 per cent between September and May when around 20,000 higher education students attend the university and colleges. The population of the city is increasing and is expected to reach 192,000 by 2011. Life expectancy is greater than the national average; rapid economic growth and a decrease in the average number of people per household are all placing pressure on services including waste collection and disposal.

The Council

- 14 The Council is comprised of 47 councillors with no party holding overall control. Following elections in May 2007 the composition of the Council is 19 Liberal Democrat, 18 Labour, 8 Conservatives and 2 Green Party.
- 15 Council business is governed by a leader and executive structure with eight portfolio holders and the leader. There is an overarching Overview and Scrutiny Committee and nine Scrutiny Panels. All non-executive councillors are on one or more of the scrutiny panels.
- 16 The Council's overall net budget for 2007/08, excluding the housing revenue account, is £104.5 million. The capital programme in 2007/08 is £41.4 million excluding housing expenditure.

National and regional context for waste management

- 17 Waste management functions are the responsibility of waste disposal authorities (WDAs) and waste collection authorities (WCAs). City of York Council is a WDA and a WCA. It has a duty under the Environmental Protection Act 1990 to arrange for the collection and disposal of all municipal from its area. The Council also provides civic amenity sites (known as Household Waste and Recycling Centres, HWRCs) where householders can deposit waste for recycling or disposal.

- 18** The 'Waste Strategy 2000 England and Wales' presents the Government's vision for managing waste and resources by sustainable development. A key objective of this strategy and the European Landfill Directive is to reduce the use of landfill as a means of the long-term disposal of waste, in order to reduce emissions of the greenhouse gas, methane, and to protect water supplies from contamination. The Government has set the following targets collectively for local authorities to recover value through materials (by recycling, composting or energy), and reduce landfill of biodegradable waste.
- Recycle or compost at least 25 per cent of household waste by 2005, 30 per cent by 2010 and 33 per cent by 2015.
 - Recover value from 40 per cent of municipal waste by 2005, 45 per cent by 2010 and 67 per cent by 2015.
 - Reduce landfill of biodegradable waste to 75 per cent of 1995 levels by 2010, to 50 per cent by 2013 and to 35 per cent by 2020.
- 19** 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 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).
- 20** The Household Waste Recycling Act 2003 requires all collection authorities to provide a kerb-side collection service for at least two recyclables to all domestic properties by 2010. In 2005/06 the Government introduced new best value performance indicators for the percentages of households resident in the authority's area served by a kerb-side collection of recyclables and served by a kerb-side collection of at least two recyclables.
- 21** The Government has set individual recycling standards for each local authority. The York City targets for recycling and composting were set at 14 per cent by 2003/2004 and 21 per cent by 2005/2006. The Council has also made a Local Public Service Agreement (LPSA2) with Government incorporating a stretched recycling target to increase the amount of material recycled from 22,150 tonnes to 23,988 tonnes by March 2008.
- 22** The total amount of municipal waste in England was an estimated 29.1 million tonnes in 2003/04 compared with 29.4 million tonnes in 2002/03; a decrease of 1 per cent. The amount of household waste collected also fell from 25.8 to 25.4 million tonnes, a decrease of 1.5 per cent. The 2003/04 figure equates to 510 kg per person.

The Council's waste management service

- 23 The Council provides the following waste management services.
- Domestic Refuse Collection to all 82,500 properties in the City of York Council area. Wheeled bins are provided to all but 10,000 properties - mainly inner city, terraced areas, which are still collected using black sacks. Alternate week collections are provided to about 60,000 properties with green waste being collected on alternate weeks to residual waste.
 - Kerb-side Recycling Collections provides fortnightly collections of dry recyclables (paper, glass, cans, cardboard and plastic bottles) to 60,000 properties in the City of York Council area. Materials are collected, and sorted, at the kerb-side before being taken for reprocessing at Hessay. York has a network of bring sites and three household waste recycling sites. At present around 7,100 remote rural and difficult to access city centre properties do not receive any kerb-side recycling service.
 - Commercial Waste Collections to around 2,800 businesses in the City of York Council area which is about 44 per cent of market share. This contributes to the Council's total amount of municipal waste.
- 24 The domestic waste and recycling service is carried out Monday to Friday each week using 17 large refuse vehicles and 8 kerb-sider vehicles for recycling. The commercial waste management service operates 12 hours per day, 7 days per week, using 3 large refuse vehicle and crews working split-shift patterns. The waste management service is provided within the Directorate for Neighbourhood Services. The service budget for waste collection and disposal in 2007/08 is £7.89 million. The executive member for Neighbourhood Services is responsible to the executive for waste management service policy and delivery.
- 25 The Council's waste management service was inspected by the Audit Commission in 2004 and was given a service rating of 'fair' with 'uncertain' prospects for improvement.

Main conclusions

Summary

- 26 There have been some significant improvements to the waste management service in York - in line with Council and York & North Yorkshire (Y&NY) Waste Strategy priorities. The Council has adopted a structured and effective response to the waste inspection findings in 2004.
- 27 The waste management service has made significant improvement in performance in all areas other than the amount of waste collected which remains high. The Council does not have a clear understanding of why this is but it is working with other similar councils to identify reasons. The Council's relative improvement in performance compared with similar councils is also good.

- 28 There are still operational and organisational issues to be addressed to fine-tune the service such as missed bins performance and staff sickness levels. The Council has done little to address its own waste recycling performance and has, therefore, missed an opportunity to be seen as an exemplar in relation to good recycling arrangements
- 29 Customer contact has improved for consultation about proposed projects and for customer enquiries which are now dealt with by the customer contact centre where most enquiries are being addressed at first point of contact. The Council and its partners are still to carry out public consultation about proposed waste disposal facilities.
- 30 There is clear cross-party commitment for the improvement in the waste management service. The Council established seven priorities to address issues raised by the waste inspection in 2004. These have been completed or have been consolidated into updated targets such as for the provision of waste disposal facilities. The joint Corporate priorities recently agreed by councillors since the May election has set a more challenging target for the waste management service to extend its improving performance.
- 31 The service has made effective improvements to its performance management arrangements. Reporting and performance monitoring is carried out at service, directorate and corporate levels to promote delivery of the waste management service to the required standards. The new waste management service structure within the Neighbourhood Services Directorate has effectively integrated the individual elements of waste management services to provide a coordinated and seamless service. However, although performance and target setting is clearly identified at a corporate level, the waste management service plan for 2007/08 lacks clear focus and does not describe how the service is progressing in relation to priorities.
- 32 The Council, with its partners, is making good progress and taking appropriate advice towards the future provision of waste disposal facilities. The work is progressing in accordance with the approved programme but there is still a lot to do before the disposal arrangements are complete.

Report findings

What has the waste management service aimed to achieve?

- 33 There is a hierarchy of strategies that give a clear focus and direction for the provision of the waste management service in the City of York. The Yorkshire and Humberside Regional Waste Strategy sets out objectives and policies for the region. These objectives include reducing waste production, increasing re-use, recycling and composting and managing residual waste in the most sustainable way. The strategy recognises the need for greater improvement in the region than elsewhere due to the historic reliance on cheap landfill.

34 The York and North Yorkshire (Y&NY) Waste Management Partnership, comprises the City of York unitary authority, North Yorkshire County Council and the county's seven North Yorkshire district councils. In 2004 they adopted a 20-year York and North Yorkshire Joint Municipal Waste Management Strategy '*Let's Talk Rubbish*' along with a Waste Minimisation Strategy for 2004. Its primary objectives and targets of these strategies were to meet statutory and legislative requirements and to increase public awareness and promote participation. Secondary objectives include promoting the waste hierarchy and disposal as close to source as possible. The Council approved the strategy which included a number of commitments with a strong emphasis to minimise waste - on 14 July 2004. Key targets included the following.

- Limiting growth in household waste arisings to 2 per cent by 2007/2008, 1 per cent by 2008/2009, and 0 per cent by 2010).
- At least 40 per cent of households with a garden to carry out home composting by 2010.
- Working with the community and run at least one waste-reduction awareness workshop per year.
- Raising awareness by implementing a campaign strategy, providing information at household waste recycling centres, promotional events educational initiatives and providing information to residents participating in kerb-side recycling schemes.
- Exploiting the use of available legislation and developing a policy statement on packaging by October 2004. Adopting internal policy and providing management and staff with guidance on minimising waste by January 2005.
- Developing a long-term programme of research and waste-compositional analysis.

35 The Y&NY Waste Management Partnership revised its waste strategies in 2006. The Joint Municipal Waste Management Strategy 2006 to 2026 '*Let's Talk Less Rubbish*' provides an overall vision to 'work with the community and stakeholders of York and North Yorkshire to meet their waste needs and deliver a high quality, sustainable, customer-focused and cost effective waste management service'. In order to achieve this vision the Y&NY Waste Partnership has identified strategic objectives and the following targets.

- Recycle or compost 40 per cent of household waste by 2010.
- Recycle or compost 45 per cent of household waste by 2013.
- Recycle or compost 50 per cent of household waste by 2020.
- Divert 75 per cent of municipal waste from landfill by 2013.

- 36 The revised Waste Minimisation strategy 2006/07 recognises that waste production in Y&NY would need to decline from the 577 kg in 2004/05 to 527 kg per head by 2012/13. This equates to a 1 per cent reduction in each year from 2005/06 to 2007/08; then 1.2 per cent annually from 2008/09 to 2012/13. The strategy has action plans to achieve the waste reduction target and are grouped into the following three categories.
- **Policy decisions** - for example acceptance of specific types of waste at the County and City Councils Household Waste Recycling Centres or flat-lid policies by the waste collection authorities.
 - **Promotional activities** - which are typically aimed at the delivery of 'long-term' objectives principally by influencing future behaviour through education and awareness raising.
 - **Targeted material campaigns** – for example green waste or real (reusable) nappies.
- 37 York City Council updated its waste strategy in 2004 in line with the Y&NY Waste Management and Waste Minimisation Strategies. It has not updated its strategy in line with the 2006/07 Y&NY Strategies but it has updated its action plan for 2004 in line with the priorities of the current strategies.
- 38 The York Community Strategy contains seven themes including '*York - The Sustainable City*' which has an outcome to 'reduce waste to landfill and increase recycling'. It has appropriate actions and challenging targets to 2010 when it looks to reduce waste to landfill to 60 per cent of 2004 levels and increase all forms of recycling to 40 per cent. The Council's Corporate Strategy has ten priorities including 'decrease the tonnage of biodegradable waste and recyclable products going to landfill'. This is consistent with the Community Strategy priority for waste and it has corresponding 'things to do' in the 2006/07 action plan including:
- improving recycling facilities at Towthorpe and the new Hazel Court facility; and
 - improving green waste collections and kerb-side collections of cardboard and plastic bottles.

These are clearly aligned with the Council's waste objectives and the Y&NY Waste Strategy priorities.

Is the service meeting the needs of the community and/or users?

- 39** The needs of citizens and service users are at the heart of the waste management service. Feedback from customers reflects their proper treatment and consideration by Council staff with complaints relating mostly to procedural problems such as changes to programmes at bank holidays. Staff have a good knowledge of customer needs and the new customer contact centre is effective in dealing with the majority of calls it receives about waste. Issues passed on to the service are limited to complaints or queries relating to service provision. The service places job completions and enquiry resolutions onto the CRM system and the call centre has access to this for future reference. The new contact centre is providing a better performance than previous arrangements but it is not yet achieving corporate targets. Some information is not available to services such as the percentage of calls being dealt with at first point of contact. A more comprehensive range of performance data would help services to understand their impact on user requirements.
- 40** The waste management service provides good access to its facilities and to people dealing with service provision. Most issues are dealt with by the customer call centre but those who visit the city centre offices are provided with information or have their requests referred to appropriate staff to deal with. Challenging service standards have been adopted and are consistent with feedback from local people and with the national agenda for waste. Some standards are provided to users in leaflets and on the web but they do not include response times although people are given this information when they make an enquiry to the contact centre. The Directorate is adapting an existing information leaflet that is provided for cleansing services to include all its other services including waste to address this situation. Access to bring-sites and HWRCs is generally good and there is clear sign posting to most but not all facilities. The good access to services is contributing to the increases in waste performance.

- 41 The waste management service has effective arrangements for consulting with service users including the following.
- When service changes are being considered such as the introduction of alternate week collections. Feedback has influenced service delivery decisions such as the introduction of cardboard and plastic recycling for some areas of the City.
 - Annual face-to-face surveys that are carried out across North Yorkshire and York, including 300 in York City, to assess issues such as the impact of the waste minimisation plans and to aid the setting of future targets. The surveys are to consider people's opinions and to raise awareness of issues including junk mail, disposable nappies and bulky household waste.
 - Feedback and complaints about the service that impact on decision-making including arrangements for alternative week collections and the need for plastics recycling.
 - The talk-about panel that influenced the type of vehicle purchase and recycling banks used for plastic.

The consultations arrangements are influencing service provision and are contributing towards improving service standards in line with the Council's priority for waste. The Council and its partners have not yet consulted local people about the proposed options for waste disposal. This is a key issue that will need skilful handling to ensure the timetable to introduce new waste disposal facilities is not delayed.

42 The Council's objectives for its waste management service are clearly reflected in service level agreements (SLA) and contracts with service providers including the following.

- The waste collection SLA that sets clear and challenging performance standards linked to national best quartile performance and top quartile satisfaction levels. Quality inspections are carried out to ensure that the service does not create litter problems for customers and that performance standards are maintained.
- The kerb-side recycling collections service level agreement with a local charitable organisation that encourages increased recycling by offering increased payments for additional recyclate collected. This is also helping to reduce the amount of residual waste taken for landfill.
- The bulk waste collection contract where appointments are given to the customer on the same day as their other waste collections so they do not have to wait more than ten working days for collection. The contractor is required to report on a suite of KPIs that is used to monitor and further enhance the service, where necessary. The Council is aware that this contract does not address the financial circumstances of disadvantaged residents (the elderly, disabled and low income families) and a report is being prepared to consider concessions for appropriate residents.
- The trade waste agreements that include financial incentives for the Council's clients to recycle cardboard through instead.

These contractual arrangements are ensuring that Council policies are being translated effectively into operational procedures that benefit local people.

43 The Council's waste minimisation programme has been effective in achieving objectives and raising awareness. The impact in York of the waste minimisation activities include the following.

- A reduced amount of household waste collected per head of population. In 2005/06 the Council collected 526.78kgs to 19.75kgs better than the target of 554.43kgs.
- An increase in home composting - 2,363 home compost bins were sold in 2005/06 which the Council equates to approximately 213 tonnes of biodegradable waste being diverted away from landfill.
- Customer survey feedback that shows an increasing public awareness about the merits of avoiding products with excessive packaging, a willingness to reduce the amount of disposable materials that are used and an increase in the use of real nappies as alternatives to disposable nappies.
- Increased recycling credit payments - from £20,000 in 2004/05 to £29,000 in 2006/07.

- 44 The waste collection service is not achieving its service objective to 'design our services to meet the needs of our customers'. It has two indicators to measure its collection service performance and neither is achieving the Council's own targets. The number of bins missed per 100,000 households has improved slightly from 79 in 2003/04 to 78 in 2006/07 but this is well above the target of 66. The percentage of missed bins that are emptied within 24 hours has deteriorated from 97 per cent in 2003/04 to only 58 per cent in 2006/07 - against a target of 100 per cent. The Council has corrected inaccurate reporting procedures and performance is close to target during 2007/08.

Diversity

- 45 The waste management service has embraced equality issues and ensures that users have good access to service providers. In line with the Council's policy '*Making Connections: How to Make Communication Accessible and Inclusive*' the waste management service has consulted and identified the special needs of various groups in the community and has customised its service to accommodate those needs. These customised arrangements include an assisted collection service, support for residents with young children in nappies, a bulky item chargeable service and medical waste collections. The service communicates well with local communities when introducing new initiatives. All leaflets are available in accessible formats such as in large print, audiotape, by email or in a community language on request and the marketing and communications team liaises with relevant advisory groups. Other accessible formats such as British sign language video, various community languages, Braille and easy-read are provided when appropriate. Officers work with the Council's Equalities Team to ensure that as many groups are consulted about how the service is provided. Relevant documents include the Council's A-Z guide, kerb-side collection guidance and waste management recycling information guidance leaflets. These arrangements are helping to improve the lives of local people with particular needs and help to address the Council priorities.

Service outcomes for users and the community

- 46 New working arrangements are helping to deliver the services promised by the Council. The service introduced alternate week collections of compostables and residual waste to 60,000 properties across the City in October 2005. A fortnightly kerb-side recycling collection for glass, paper and cans was introduced along with seven bring recycling banks for plastic bottles and six for cardboard. Performance improvements as a result of the new arrangements include the following.
- An increase of 9,850 tonnes of Green Waste collected in 2006/07 compared to 2005/06.
 - An increase in Kerb-side Recycling (Paper, Glass, Cans, Cardboard, Plastic Bottles) of 2,490 tonnes in 2006/07 compared to 2005/06.
 - An increase in BVPI 82a(i) + 82b(i) from 17.72 per cent in 2004/5 (which exceeded government target of 12 per cent) to 24.07 per cent in 2005/06 (which exceeded government target of 18 per cent) and an unaudited outturn of 39.6 per cent in 2006/07.
 - A reduction of residual waste sent to landfill by 9,690 tonnes in 2006/07 compared to 2005/06 - helping the Council to achieve its LATS obligation.
 - An increase in kerb-side recyclate collected, per household per quarter, from 128kg in 2005/06 to 160kg in 2006/07.
 - A WRAP funded recycling behaviour survey found that 78 per cent of respondents were committed recyclers.

These figures show that the Councils planning and investments for waste have helped to make significant improvements in line with corporate and regional priorities. They are also helping to meet the LATS diversion requirements.

- 47 The Council is working effectively to prevent and minimise excessive and unnecessary packaging waste by targeting and educating consumers in a number of ways including:
- initiating public awareness campaigns that focus on prevention and minimisation of waste packaging at source;
 - helping to raise awareness amongst local companies of their obligations under the Producer Responsibility - Packaging Regulations and assist companies in meeting their responsibilities through green business clubs;
 - support the Environment Agency in its role on Packaging Regulations; and
 - educating targeted consumers and producers about waste packaging in order to minimise the amount of waste being disposed.

- 48 The Council is taking a proactive approach to reducing unnecessary packaging by manufactures. As part of its ongoing waste reduction programme the Council's trading standards team ran a publicity campaign to encourage residents to complain if they felt the goods they were buying were packaged excessively. The team received 12 complaints about 40 items which it referred to the trading standards services for the area in which the products were manufactured. The service has engaged the support of consultants to assist in any specific technical issues that may arise preventing further packaging reduction. The team prioritises businesses that produce high-volume goods, and those businesses producing products which gave the most concern during the 2005/06 national packaging survey. This work is consistent with the Environmental Health and Trading Standards enforcement policy and is helping to address the Council's priority to reduce waste. The work has resulted in a response by a large-volume car manufacturer to reduce packaging on future promotion/publicity campaign.
- 49 The Council has good working relations with voluntary organisations and charities to provide services that local people want. These include the following.
- Financial support for the charity Friends of St Nicholas Fields, as its existing funding streams end. The charity houses York Rotters and provides training on composting for local people. They have trialled new equipment and given feedback to the council such as on the effectiveness of green cone composters. It also has a contract with the Council to collect recycle with electric vehicles suitable for narrow streets that the Council is not able to access effectively. This scheme won a national environment award and the Council is extending its contract to include more areas where access to properties is difficult.
 - Community Furniture Store - which processes 100 tonne of furniture for re-use each year. The funding is provided through the Council's Social Services budget.
 - Bike Rescue - salvages bikes and sells them cheaply to local people. They employ young local people including offenders to maintain and repair bikes. The Council has provided an unused electric sub-station as a workshop. The Council considers its support is consistent with its role as a premier bike city.

These are good examples of local people providing services with the support of the Council such as funding, buildings and work. They are addressing social issues as well as satisfying the Council's priority for waste.

- 50 The waste management service is helping other large organisations in York to improve their recycling performance. It has entered into a waste management and collection contract to deal with all of the waste from York University. The contract was won in competition with the private sector and started on 1 September 2005. To improve management data for the Council and the University the service has introduced chip technology with Radio Frequency Identification (RFID) vehicle tagging. Individual accounts are set for each of the 46 campus colleges and buildings so waste can be identified more locally. The University is charged on a pay by weight basis for waste taken to landfill to encourage waste reduction schemes within the University and a rebate of £5.00 per tonne is provided for any recyclate collected. These arrangements have helped the university to improve its recycling rate - from 23 per cent at the beginning of the contract to 38.6 per cent at the end of March 2006. This shows the Council's commitment to improving its waste management service and helping others to improve their recycling rates.
- 51 Although the Council is encouraging and supporting others to recycle it is missing an opportunity to act as an exemplar and to develop inter-departmental working; it does not have a co-ordinated approach for recycling its own waste materials. There are some recycling arrangements within departments but these are inconsistent and there is no recycling performance monitoring.
- 52 The Council is using procurement arrangements to improve its performance. The household waste recycling centres management and waste transportation service was market tested in February 2005. It provides financial incentives for the contractor to recycle more material going to the HWRC and, therefore, reduce waste going to landfill. The proportion of waste recycled at the Council's three HWRC has increased significantly and now averages about 60 per cent which is the Council's target for 2008 onwards. However, there is an unresolved capacity and service quality issue - going back to 2005 - with the facilities at Beckfield Lane HWRC and the possible provision of an alternative site. The Council will not improve the social and environmental conditions for local people until this problem is resolved.

- 53** User satisfaction with waste collection remains high compared to similar authorities, but it did reduce in 2005/06, from 91 per cent to 69 per cent when the alternate-week collection arrangements were introduced. It has since recovered to 72 per cent in 2006/07 and now compare favourably with other councils that provide alternate week collections. Satisfaction with local recycling facilities improved from 70 per cent in 2003/04 to 75 per cent in 2006/07. Satisfaction with kerb-side recycling improved from 70 per cent in 2005/06 to 73 per cent in 2006/07. Satisfaction with waste disposal (HWRC) improved from 80 per cent in 2003/04 to 86 per cent in 2006/07. A site-specific satisfaction survey in June 2006 at Hazel Court HWRC showed that 77 per cent of respondents rated customer service at the site as excellent. The Council has addressed the issue of reduced satisfaction by attending meetings with local voluntary groups, schools and resident's groups to reassure people about the benefits the schemes have to offer. This work is supplemented by regular articles in the Council's 'Your City' magazine which explain the progress being made in recycling performance and gives credit to local people for their contribution towards the improvements. Despite the introduction of some initially unpopular working arrangements, the waste management service is maintaining a high level of satisfaction when compared to similar councils.

Is the service delivering value for money?

- 54** The Council is improving value for money in its waste management service. The waste management service costs in 2005/06 were lower than those of most similar councils. The waste collection cost of £43.27 per household was better than average (£45.80) for similar (unitary) councils. The waste disposal cost of £32.44 per tonne was best quartile performance for unitary councils. Recycling increased from 10.7 per cent to 16.50 per cent in 2005/06, which was slightly worse than the average for unitary councils of 16.61 per cent. It increased further to 23.3 per cent in 2006/07. Composting rates increased from 4.7 per cent in 2003/4 to 7.58 per cent in 2005/06, which was worse than the average for unitary councils of 8.21 per cent. It increased further in 2006/07 to 16.6 per cent. The combined recycling and composting figure of 24 per cent in 2005/06 exceeded the LPSA target of 23 per cent for that year. The amount of waste going to landfill in 2005/06 was worse than average for unitary councils at 74,070 tonnes. However, the percentage of household waste going to landfill has reduced from 84.5 per cent in 2003/04 to 60.1 per cent in 2006/07. The amount of waste collected per head of population has reduced slightly from 541 tonnes in 2003/04 to 539 tonnes in 2006/07. These improvements show that the Council's efforts are improving performance as a result of investment in the service. Since service expenditure is lower than most other unitary councils the waste management service is providing good value for money when compared to similar councils.

- 55 The Council has accurate information on its current costs and future commitments which is being used to prioritise and manage resources. As a result of the Council's decision to improve recycling and composting performance and to address LATS issues it has increased its revenue budget for collection and disposal of waste for 2007/08 by 10.2 per cent. Increased costs are clearly identified along with savings as part of the budget setting process. The detailed preparation of waste budgets is helping to provide realistic estimates of future expenditure.
- 56 The Council is using modern procurement methods to improve VFM in the waste management service. It introduced a procurement team and adopted a procurement strategy in 2003 which focused procurement issues on improving arrangements and getting better VFM. It has produced a procurement toolkit which gives clear guidance to departments who need to procure services or equipment/resources. These arrangements have impacted on the waste management service in a number of ways including the following.
- The HWRC contract provides an incentive for the contractor to maximise performance, through additional payments when waste to landfill is reduced in line with corporate priorities.
 - The contract for bulk waste collection includes a suite of KPIs that the contractor has to report on and will be used to monitor and further enhance the service where necessary.
 - Its contract with Friends of St Nicholas Fields kerb-side recycling collections service requires detailed information about collection arrangements and amounts and provides the incentive for the contractor to maximise recycling collection rates.

These contracts are contributing to improved performance and VFM in the waste management service.

What is the track record in delivering improvement?

- 57 The Council has responded effectively to the inspection of its waste management service carried out in 2004. It established seven action plans to address the findings of the inspection. Four of the actions relate to short-term solutions to recycling, composting and waste minimisation. There are three long-term actions to address future waste disposal requirements. The actions also form the basis of the implementation plan for the York Waste Strategy. The Council established a Strategy Board in 2004 to oversee the implementation of the priorities along with a project lead officer and delivery team that had a clear mandate to deliver the priorities. The strategy considers an appraisal of costed options up to 2016 using the 'do nothing' option as a baseline comparison. It identifies what impact each action will have on the future waste stream and it estimates the cost implications of achieving the actions in relation to reducing the cost burden of LATS. These procedures give the Council a clear focus on what it needs to achieve along with the cost implications of its proposed actions.

- 58 The Council has successfully implemented the four short-term action plans that relate to consultation; minimisation; green waste & recycling/kerb-side collections & bring sites; and household waste sites. The early actions aimed at removing the optimum amount of waste upstream have been completed in the first three years of the plan or form part of the current action planning process with identified targets such as ongoing work to household HWRC. The implementation of these actions has been very effective in achieving the Council's short-term objectives to increase recycling and composting but it has had limited success in reducing the amount of waste it collects.
- 59 The Council is taking a well structured and co-ordinated approach to provide appropriate waste disposal facilities. The three long-term action plans relate to treatment (partial and/or mass) plant; procurement; and eventual disposal. These proposals are to address the joint treatment requirements for York and North Yorkshire Councils and the need to address waste disposal issues so that the Council does not incur avoidable high LATS costs in the future. The short-term action plans had clearly identified funding but the long-term costs of disposal depend on many variables that have not yet been resolved or decided. They will need to be verified once bids have been received for the work. The Council is working with its partners in accordance with DEFRA and other guidance to minimise the risk associated with the waste disposal proposals. These relate particularly to planning issues about possible sites for treatment plants and contractual arrangements with the eventual waste disposal contractor. Until these actions have been resolved there will continue to be a high risk that the Council will have to pay LATS payments for the disposal of municipal waste to landfill beyond 2009/10.
- 60 There has been a significant improvement in performance as a result of the implementation of the four short-term action plans - which included the alternate-week collection to 60,000 properties, HWRC improvements, bulk waste collection service, kerb-side recycling including the recent cardboard and plastic recycling programme. Waste to landfill has decreased significantly from 83400 tonnes in 2003/04 to 60430 tonnes in 2006/07. Composting has increased from 4660 tonnes in 2003/04 to 16730 tonnes in 2006/07 and recycling has increased from 10550 tonnes in 2003/04 to 23440 tonnes in 2006/07. This shows that investment and planning have resulted in sustained improvements in Council priorities for waste. Customer satisfaction remains relatively high, when compared with other unitary authorities that have made the move to alternate week collection. The waste management service performance has improved significantly since the waste inspection in 2004.
- 61 The Council is committed to achieving significant improvement in performance by 2008 through its LAA targets. One relates to waste and requires the service to increasing the proportion of household waste arisings recycled through an increase in the recycling of plastics, glass, cans and paper. The LAA increases the target from 22,150 tonnes to 23,988 tonnes. The service achieved 23440 tonnes for 2006/07 which shows its recycling initiatives are effective in exceeding original targets and close to the stretch target one year ahead of schedule.

- 62 The corporate procurement support for the waste management service is helping to improve performance. Procurement guidance documents are posted on the intranet and the procurement team is available to provide support. The team supported the development of the waste disposal and recycling contracts; it introduced output based contracts that provided incentives for the contractor to improve service delivery in line with Council priorities and its involvement in the green wheeled bin tender process ensured the purchase was completed to schedule. Procurement arrangements are providing contracts and agreements that satisfy corporate priorities and improve customer services.

How well does the service manage performance?

- 63 The waste management service performance is well managed. It has aims and priorities that are clear, challenging and robust. The service has produced relevant performance standards that have been established for customer based improvement such as increasing recycling rates; processed based improvements such as number of quality inspections per quarter; finance based improvements such as reduction in annual cost of sick pay; and staff based improvements such as the percentage of staff with basic skills. Each area for improvement has performance indicators including targets up to 2010, which are monitored and recorded but are only compared with others at a corporate level.
- 64 The waste management service review process is effective. It ensures that actions are achieving strategic targets. Waste projects implemented to date have enabled the Council to achieve its challenging targets and the service expects current initiatives will result in a further slight increase in recycling performance. Projects to increase recycling performance are being assessed and reports prepared for members to agree priorities. The programmes will be agreed in time for them to be included in the budget setting process for 2008/09 onwards. Project proposals are in line with the Council's ongoing development programme for waste and the cost of implementation will be covered by contingency funds currently being held to cover the possible future cost of LATS. The major schemes being considered include:
- recycling to terraced properties and achieving national target to get all properties on collection of two recyclates by 2010;
 - future provision of commercial services;
 - improvements to HWRCs; and
 - the PFA for waste disposal.

The cost of projects and their impact on reducing LATS costs are compared as part of the scheme justification process. Each waste reduction scheme is estimated to cost less than the combined cost of LATS and landfill charges of about £80 per tonne that will be saved by its implementation. The Council expects that the implementation of these projects will achieve its new recycling target for 2008/09 of 45 per cent.

- 65 The waste management service plan does not clearly reflect what the service is doing or how it is performing. It does not compare performance with similar councils and it does not make clear what impact each action will have on corporate and partnership priorities. Service plan objectives are broad statements that do not identify SMART targets and do not relate clearly to corporate priorities. They do not identify what ongoing progress has been made in relation to corporate priorities. Although information is available and used at a corporate level the waste management service plan lacks clear focus and this is a missed opportunity to celebrate success and recognise when milestones are achieved.
- 66 Target setting arrangements for the services are challenging. The service has responded to its recent improved performance by increasing its target for recycling beyond the agreed LAA target - which it no longer regards as challenging. The service is following Council priorities by increasing targets to improve service delivery.
- 67 There is strong corporate level leadership for the waste management service. The Council has set challenging targets for its waste management service and has supported these with adequate funds to implement the improvement programme. Councillors have made difficult decisions - particularly in relation to the provision of alternate week collections. The newly-elected Council has reinforced its commitment to recycling by setting higher performance targets. Councillors are looking for a more rapid improvement of recycling performance and have asked the service to explore ways to achieve 45 per cent recycling by 2008/09. This challenge reflects the continuing support given to the waste management service and a commitment to support improvement.
- 68 The waste management service has effective arrangements for monitoring ongoing performance. Weekly reports - including job completions and enquiry resolutions along with feedback from the customer call centre and from managers - are considered promptly and remedial action is agreed by service teams. Managers are accountable for under-performance and are required to provide details of corrective action being taken. More comprehensive data is considered each month by managers about performance of BV and local PIs. This data is considered by cross-party members on the executive member advisory panel (EMAP) who also consider contract performance every six months. This performance monitoring has overseen the improved performance of the waste management service in line with priorities such as the improvement in recycling performance at HWRCs. But there are still issues that have not been resolved such as high sickness levels and the under-performance for missed bins.

Does the service have the capacity to improve?

- 69 The Council is clear about the strategic and operational roles that are required to provide its waste management service. It has made provision for its future investment in the waste management service to enable its improvement plans to be introduced. The consolidation of the new waste management service structure within the Neighbourhood Services Directorate has been effective in joining together each area of the waste management service to provide a co-ordinated and seamless service. It is providing improved services that are benefiting from the involvement of the contact centre. The successful record of improving the waste management service provides a basis of confidence for the Council that it will continue to improve services in the future.
- 70 There is cross-party support for the Council's waste priorities. The Council's EMAP procedure ensures that councillors are able to make well-informed decisions and they have received detailed information about waste issues. The new political structure has reinforced its commitment to improve the waste management service by setting stretched targets for waste in the coming year. There is common agreement between all parties to roll out recycling to terraced properties and work with voluntary organisations as a means of achieving the recycling targets.
- 71 The Council took a difficult decision to change its refuse collection arrangements so that it could improve its waste performance in line with national targets despite its expectation that satisfaction levels would reduce. There was a resulting reduction in satisfaction but the Council's efforts to recover this had some success. This is an example of the Council making a difficult and unpopular decision so that it could address national and longer term local priorities.
- 72 The waste management service continues to explore innovative ways to improve service delivery. It has visited other councils that use a vehicle tracking arrangement and has submitted a business case for such a system so that it can improve response times. This is a good example of the service adopting good practice used by other councils to improve service delivery.
- 73 The service has had little success at addressing high levels of sickness in its workforce. The problem is being closely monitored and actions are being taken to provide confidential advice/counselling, back to work procedures and there have been dismissals of employees with a record of long-term sick which accounts for over 50 per cent of absence time. Despite these actions sickness levels remain very high. The Council is addressing the issue of high sickness levels but the situation continues to be a problem for the service with an average of 16 days per employee lost to sickness absence during 2006/07 including 4 days attributed to stress related sickness. This high level of sickness will continue to have a significant negative impact on the effectiveness of the waste management service until it is addressed effectively.

- 74 The Council, with its partners, is making good progress towards the provision of waste disposal facilities. The outline business case has received ministerial approval and the Council is working with its partners to obtain planning approval for identified sites and to progress contractual arrangements for the provision of the waste disposal facilities. However, these issues represent a high level of risk for the Council in relation to making future LATS payments for future land-filling of waste. There is a high level of uncertainty until they have been finalised. There has been public consultation about the outline business case for waste disposal requirements but not yet about possible treatment sites and this provides the potential for delays. The Council and its partners have a lot to do before the disposal arrangements are complete but it has worked with its partners and taken appropriate advice to make progress in accordance with the approved programme.
- 75 The waste management service is benefiting from the support of local communities to improve appropriate services. The Council provides devolved budgets to local wards; two subsidise bulk waste collections in areas where access problems made it difficult to collect waste. These local arrangements are enhancing the waste management service in line with the Council's waste priority.

Recommendations

Recommendation

R1 It is recognised that the Council and its partners are making good progress in relation to the long-term provision of waste disposal facilities but key issues are still to be addressed including planning and contractual arrangements. The Council therefore needs to ensure that addressing waste disposal issues remains a high priority.

The expected benefits of this recommendation are:

- minimising future LATS payments; and
- sustainable waste disposal arrangements are provided.

The implementation of this recommendation will have high impact with low costs. Focus should be maintained on this high risk issue.

Recommendation

R2 Improve the Council own recycling performance by:

- *consolidating the management and monitoring of the Council's own recycling initiatives;*
- *establish clear and challenging recycling targets for departments within the Council;*
- *disseminate good recycling practice across all Council departments; and*
- *increase public awareness of the Council's own recycling activities.*

The expected benefits of this recommendation are:

- the Council can be seen as an exemplar for its recycling efforts; and
- other organisations will learn from, and be better able to apply, good recycling practices.

The implementation of this recommendation will have high impact with low costs - in relation to the overall service budget. This should start to be implemented immediately.

Recommendation

R3 Continue to pursue areas of under-performance including high sickness levels, number of missed bins, high waste volumes collected and HWRC issues relating to Beckfield Lane by:

- *identifying the cause of these problem issues;*
- *engaging with staff to resolve the problems; and*
- *engage with residents about the HWRC issues.*

The expected benefits of this recommendation are:

- improved service performance in relation to recycling and waste collection.

The implementation of this recommendation will have medium impact with low costs. Ensure that action already underway in relation to this recommendation includes clear deadlines, accountability and reporting/feedback arrangements.

Recommendation

R4 Provide better information about service delivery to customers by:

- *improving information about customer-related performance;*
- *producing a 'customer charter' that informs customers about service standards; and*
- *using customer contact centre and waste management service data to monitor, report and provide information on customer-related service performance.*

The expected benefits of this recommendation are:

- improved waste management service's knowledge of customer-related performance; and
- promote corporate and customer awareness of waste management service performance.

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

Recommendation

R5 The service should improve its service planning procedures by:

- *providing clearer linkages between service objectives and corporate priorities;*
- *produce SMART targets for actions;*
- *recognise and celebrate ongoing progress and achievements; and*
- *identify the impact of completed actions on corporate priorities.*

The expected benefits of this recommendation are:

- celebrating achievements in the service and with partners; and
- promote a clearer understanding amongst staff about their contributing to corporate priorities.

The implementation of this recommendation will have medium impact with low costs. This should be implemented immediately - to support the 2008/09 service planning process.

Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
Recommendations						
25	R1 It is recognised that the Council and its partners are making good progress in relation to the long-term provision of waste disposal facilities but key issues are still to be addressed including planning and contractual arrangements. The Council, therefore, needs to ensure that addressing waste disposal issues remains a high priority.	High				
26	R2 Improve the Council own recycling performance by: <ul style="list-style-type: none"> • consolidating the management and monitoring of the Council's own recycling initiatives; • establish clear and challenging recycling targets for departments within the Council; • disseminate good recycling practice across all Council departments; and • increase public awareness of the Council's own recycling activities. 	High				

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
26	<p>R3 Continue to pursue areas of under-performance including high sickness levels, number of missed bins, high waste volumes collected and HWRC issues relating to Beckfield Lane by:</p> <ul style="list-style-type: none"> • identifying the cause of these problem issues; • engaging with staff to resolve the problems; and • engage with residents about the HWRC issues. 	Medium				
27	<p>R4 Provide better information about service delivery to customers by:</p> <ul style="list-style-type: none"> • improving information about customer-related performance; • producing a 'customer charter' that informs customers about service standards; and • using customer contact centre and waste management service data to monitor, report and provide information on customer-related service performance. 	Medium				

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
27	R5 The service should improve its service planning procedures by: <ul style="list-style-type: none"> • providing clearer linkages between service objectives and corporate priorities; • produce SMART targets for actions; • recognise and celebrate ongoing progress and achievements; and • identify the impact of completed actions on corporate priorities. 	Medium				