

CHILTERN & WYCOMBE JOINT WASTE COLLECTION COMMITTEE (JWCC) **29th September 2016**

Review of the recycling performance of the Joint Waste Service

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RECOMMENDATION

- i) That the Joint Waste Collection Committee note the contents of this report which reviews the recycling performance of the Joint Waste Service**
- ii) That the Joint Waste Collection Committee monitor the progress of the recycling rate against the contract target of 50%**

1. Introduction

The purpose of this report is to provide information to the Joint Waste Collection Committee regarding the performance of the Joint Waste Service against recycling targets, particularly since Audit Committees at both authorities have expressed some concern at the performance in this respect.

2. Background and issues

Wycombe District Council (WDC) and Chiltern District Council (CDC) have a joint waste contract with Serco. The contract commenced on 4th March 2013 and the new service was introduced in the Chiltern district in mid-July and on October 31st in the Wycombe District. The new service has introduced a wider range of materials collected for recycling than either of the councils had collected before, including weekly food waste collections and also yields annual savings of approximately £1.1m across both authorities. A joint client team, based at CDC, manages the contract and service on behalf of both authorities.

Audit committee at both authorities have expressed some concern regarding performance of the joint waste contract against performance indicators, specifically recycling rates.

3. Bid back targets

As part of the procurement process in 2012, Serco were required to bid back to the councils on their anticipated contract recycling and composting targets. Serco would have based their assumptions on a number of parameters:

- Compositional analysis of the domestic waste stream and likely diversion rates based on the increased range of materials to be collected
- Capture rates (the amount of waste within each composition that could be recovered for recycling)

- The overall tonnage of household waste generated
- It is likely that Serco would also have looked at the results of the highest performing local authorities
- Serco would have been keen to submit a keen but challenging recycling target

The recycling target was submitted at the same level for the period of 2013 (the contract commenced in March 2013) up to 2018 and details are provided in *Table 1*.

Table 1 – Serco bid back targets

Dry recyclables	34.51%
Food waste	8.61%
Garden waste	16.64%
Total recycling rate	59.76%

The targets set by Serco were in the same range as those submitted by the other bidders and it must be noted that these are aspirational targets. However, within the contract documents, the authorities set a target of 50% as a minimum contractual requirement.

4. District recycling targets

For the purposes of performance indicators, the following targets were set by the Joint Waste Team. It must be noted that the target set in 2013/14 was close to the bid back target.

Table 2

Year	% household waste recycled	Actual achieved	% household waste composted	Actual achieved	% combined target	Actual combined achieved
2013/14	33%	24.90%	25%	23.10%	58%	47.90%
2014/15	31%	27%	25%	28%	56%	54%
2016/17	31%	25.81%*	25%	26.64%*	56%	52.56%*

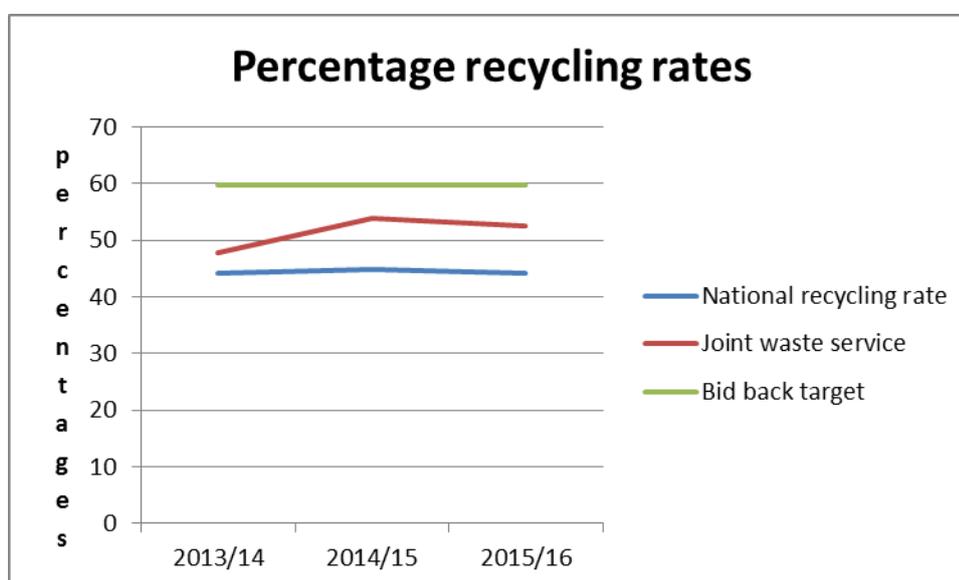
*The 2015/16 figures in Table 2 were submitted on a provisional basis as the data is still going through the Waste Data Flow validation process and may vary slightly elsewhere in this report.

The recycling target was re-set for 2014/15 at 56%, down from 58%, since the previous year only saw a partial year roll out of the new service and it was difficult to predict at that stage, what rate might realistically be achieved. It is clear to see that composting rate (combined food and garden waste) has performed above target but that the recycling rate has performed below. However, the recycling performance has not achieved the target that has been set.

5. National recycling rates

An appreciation of the recycling rates of the joint waste service must be set within the context of the national recycling rates and national trends.

The following graph depicts the recycling rates for England since 2011/12. The national recycling rates have only increased very slightly between 2011 and 2014 and in 2015/16, actually dipped by 0.7%.



It can clearly be seen that the recycling performance of the joint waste contract is higher than that of the national rate although the rate dipped in 2015/16 from 54% to 52.56% and that the bid back target can be seen as aspirational.

6. Factors affecting recycling performance

There are a number of factors that can affect performance and the same factors have been attributed to both the national performance and the performance of the joint waste contract, some of which are positive:

- Increased efforts from brands and the packaging industry to create more eco-friendly or reusable packaging/reduced packaging – less packaging to recycle
- Trend towards light weighting of packaging materials, eg moving from glass to plastic (plastic recycling rates increased by 11.9% in 2014 but is a lighter weight material than glass) – impacting on recycling rates

- Paper consumption has reduced as more residents read the news on tablets or phones, rather than through traditionally purchased newspapers
- Demographics of district areas will have either a positive or negative impact on recycling rates. For instance, South Oxfordshire DC which has consistently performed within the top 3 authorities in terms of recycling rate over the last few years, has few flats with communal bulk bins and often properties with large gardens.
- Local authorities with weekly recycling collections tend to have higher recycling rates.
- Weather effects on garden waste – if there is a dry summer, garden waste tonnages will be lighter but if the weather has a prolonged wet season or wet growing season, the garden waste will be heavier or more prolific, all of which affect recycling rates
- The Waste Regulations for England and Wales, 2012, introduced the MRF Code of Practice which has placed more rigorous controls on MRF (materials reclamation facilities) operators to measure recycling contamination rates, in order to support recycling markets with improved quality. This results in more material being rejected at the MRF.
- From 2015/16, the Joint Waste Service has submitted figures to DEFRA based on joint reporting.

7. Material quality

At a local level, the Joint Waste Service will have been affected by all of the above factors.

In terms of the impact of material quality on recycling rates, the regime for monitoring the quality of recyclables which pass through Viridor's sorting facility (MRF) is being applied much more rigorously. In addition to this, a project was undertaken in October 2015 with approximately 10,000 households in High Wycombe to increase awareness of which materials are acceptable for the collection. This involved the use of bin stickers, bin tags and monitoring bins prior to collection. Following this, collection crews now regularly receive refresher training on what materials are acceptable in the recycling bins and are instructed not to empty recycling bins that contain the wrong items. The Joint Waste Team have produced improved bin tags to make residents aware when this takes place and further communication work is planned. The work to improve quality will have resulted in a higher number of bins being rejected due to contamination.

In line with market forces, Serco are now charged a gate fee for the recyclable material that they deliver to Viridor. Therefore, it is doubly important that we are not delivering items to the MRF that are not permissible and not recyclable, as this will impact on our reject rates, impact on our recycling rates and recycling credits and will increase the gate fee payable by Serco.

The following table compares the impact of increased reject rates since 2014/15.

Table 4

Year	Total tonnes recyclables rejected
2014/15	442.76 tonnes
2015/16	511.96 tonnes
2016/17 – Qtr 1	210.51 tonnes

8. What are we doing about this?

- Working to understand our waste streams
- Looking to manage expectations
- Further communication campaigns

i) Understand our waste streams - commodity analysis

The Joint Waste Team is currently undertaking work to analyse the trends across the various commodities which are collected. Understanding this will help to inform the direction that further communications work and campaigns should take. This work is not yet complete but *Table 5* sets out the percentage split between dry recyclables, food and garden waste as compared with the bid back targets submitted during procurement. Please note that 2015/16 data is still going through the Waste Data Flow validation process. It can be seen that garden waste tonnages are outperforming the bid back targets but food waste and more specifically, dry recyclables, are performing below.

Table 5

Year	Total dry recyclables	Total food waste	Total garden waste	Total combined recycling rate	Total residual
2015/16	25.29%	8.57%	17.79%	51.65%	48.35%
2014/15	26.09%	10.13%	17.57%	53.79%	46.21%
Bid back targets	34.51%	8.61%	16.64%	59.76%	40.24%

ii) Managing expectations - profiling performance indicators

Work has taken place to profile performance indicators to take account of the impact of seasonal fluctuations. For instance, garden waste tonnages always decline during quarters 3 and 4 while residual waste tonnages increase during quarter 4 and the excesses of the Christmas period. Both of these factors have a negative impact on recycling rates. Graphs at *Appendix 1* illustrate the seasonal impacts and trends over the last two years for residual waste, compostable waste, recyclable waste and reuse materials.

In addition to profiling the indicators, officers have looked at the average performance over the last 2 years for each month and have used this information to set a recycling target that is more realistic and achievable given the current influences that are impacting on recycling rates around the country.

Appendix 2 provides the detail of the work that has taken place to calculate the profiled targets for 2016/17. The summary is provided below in *Table 6*.

Table 6

Commodity	Annual target
Residual waste	47.26%
Compostable waste	27.04%
Recycling	25.56%
Reuse	0.13%
Total diversion from landfill (combined recycling, composting and reuse rate)	52.74%

Appendix 3 illustrates how the profiled targets have been adjusted to take account of seasonal impacts and also the contrast between composting rates and residual waste in Quarter 4.

iii) Further communication campaigns

Garden waste

Clearly, the garden waste tonnage contributes significantly to the overall combined recycling/composting rate. The waste team will undertake some work to look at the impact of reducing the charge for a second green bin, set against any issues of available vehicle capacity. (Both authorities currently charge £70 for a second green bin and take up is low). A report will be brought back to Joint Waste Collection Committee when this work has been completed.

Food waste/mixed recyclables

More work is planned to increase food waste participation and to increase both the quality and volume of recyclables collected. The Waste Partnership for Buckinghamshire was awarded over £800,000 by DCLG to drive up participation rates in food waste based on a possible recycling reward scheme and there are many best practice examples that the partnership can adopt through this project.

Paper and cardboard continues to represent a significant element of the total recycling element and also represents an income stream for Serco. Therefore, efforts will be made to optimise participation in those services as much as possible, through communications and awareness raising.

Further work will be undertaken to analyse individual waste streams in order to target future communication campaigns. This funding will also be used to focus on improving recycling rates and the quality of material collected. A project manager has been recruited by the Waste Partnership to lead a programme of projects to deliver against this funding and is due to commence at the end of September. The projects will be delivered within each of the four Buckinghamshire districts and will be supported by district officers.

While a project plan has yet to be developed, which will set out anticipated outcomes and timescales, information on the work streams to deliver against that plan will be brought back to the Joint Waste Collection Committee when it is available.

Meanwhile, the Joint Waste team continues to work with Serco to promote quality issues with residents and to increase recycling rates.

9. Conclusion

A close review of national trends and performance must be maintained to ensure that any contract targets are reasonable, realistic and achievable.