



## Stevenage Overview & Scrutiny Committee

30<sup>th</sup> Sept 2013

### 1. Introduction

- 1.1. Comments from the Hertfordshire Waste Partnership (HWP) are restricted to those questions that have a strategic relevance and / or may impact on Partnership working.
- 1.2. Appendix A contains a brief summary of the HWP and how it functions.

### 2. Questions & HWP Response

#### 2.1. Nappy collection service

- 2.1.1. It should be noted that the purchase of real nappies does not require subsidy to make them cost effective compared to the cost of disposables. That said there has always been a perception that the initial outlay faced by parents deciding to use real nappies was prohibitive. In response the nappy cash back scheme was implemented to motivate the up take of re-usable nappies.
- 2.1.2. As noted in previous submissions to the Committee parents can receive a nappy cash back incentive worth up to £50 per child. However, what is not clear is that the incentives are funded through anticipated savings in waste disposal and as such come from the County Council in its capacity as the waste disposal authority.
- 2.1.3. Whilst funding for the nappy cash back initiative will continue during 2014/15, funding after this point is currently uncertain and will be reviewed nearer the time. Any decision on the part of the County Council to withdraw funding does not prevent the Boroughs or Districts in their capacity as waste collection authorities from maintaining or altering the current level of subsidy.

#### 2.2. **How can we avoid more use of landfill ? Are we running out of place to take residential rubbish ? Are we running out of landfill sites ?**

- 2.2.1. Issues around the availability of landfill are equally applicable to commercial and industrial wastes as well as the 'residential rubbish' referred to in the question which is more commonly known as household waste.

- 2.2.2. The continued reduction in landfill capacity as well as fiscal measures such as the landfill tax are combining to make landfill the most costly form of waste disposal. This is reflected in the decline in tonnage disposed of via this route.
- 2.2.3. With respect to landfill avoidance, efforts are concentrated in 2 key areas. These include waste prevention and reduction delivered via various initiatives to prevent discarded materials becoming waste in the first place. Secondly Hertfordshire's waste authorities then divert material from landfill through various recycling, composting services. Finally some of the residual waste generated in Hertfordshire is currently disposed of via a number of energy from waste facilities.
- 2.2.4. As noted in previous submissions as part of the HWP Stevenage works closely with other Hertfordshire waste authorities to deliver the annual WasteAware campaign. The campaign is designed specifically to tackle different waste prevention and recycling messages, often, with links to national campaigns as well as stand alone local promotions.
- 2.2.5. Through the HWP Stevenage has also signed up to the Joint Municipal Waste Management Strategy which previously set out how the Partnership intends to recover energy from wastes which are not recycled or composted. Following a detailed and robust procurement process this led to the signing of a long term contract for the treatment and final disposal of residual wastes generated by Hertfordshire's residents. Subject to planning approval from the Secretary of State (anticipated in March 2014), the contract will see the establishment of a Recycling and Energy Recovery Facility (RERF) at New Barnfield in Hatfield.

### **2.3. Is there anything in place to encourage people to recycle?**

- 2.3.1. Both the annual WasteAware campaign as well as local stand alone initiatives often include competitions to motivate residents to increase the amount of the material diverted from landfill through waste prevention, reduction and recycling.
- 2.3.2. A very small number of authorities elsewhere in the UK (none in Hertfordshire) have also implemented initiatives based on monitoring how often and / or how much residents recycle which is then rewarded through a points system. The points are redeemable in local shops and other retail outlets. Such systems normally entail the use of wheelie bins with special radio tags which communicate with weighing equipment on the collection vehicles to identify which bin the material has come from and how much has been recycled.

### **2.4. Cardboard recycling, charges and challenges**

- 2.4.1. Previously cardboard collected from the kerbside was sent for composting. However, changes to national standards for composting in 2011 resulted in the HWP reviewing these arrangements.
- 2.4.2. This resulted in the adoption of a new composting strategy that was agreed by the HWP in October 2012.

#### 2.4.3. The new strategy includes the following commitments :-

- a) Non-compostable card would be removed or substantially reduced to a level where the proportion in the organic mix is sufficiently low to:
  - Reduce the risks of IVC contractual failure.
  - Substantially reduce the risk of failure to meet relevant environmental standards.
  - Minimise costs associated with sending large quantities of rejected material to landfill.
- b) As part of the updated strategy the HWP recognised that the cost of removing card from the organic stream would fall primarily on the Boroughs and Districts while savings would accrue to the County Council. As a result it was agreed that a fair and transparent way needed to be found to share costs to fund the changes required. This was subsequently achieved through specific mechanisms integrated into the new Alternative Financial Model.
- c) To monitor progress each Partner Authority agreed to bring forward plans for addressing the card issue prior to the 2013/14 winter period with new services already rolled out in Hertsmere, North Herts and Welwyn Hatfield.
- d) In considering how to change their organic waste collection and processing services, all Partners agreed that it was of paramount importance to ensure that impacts of local decisions on the Partners were well understood as part of the decision making process in line with the principles established in the Herts Waste Partnership Agreement. This was done to highlight the need to ensure that decisions taken by one authority did not result in increased costs for another authority thereby increasing the overall cost to the tax payer.
- e) Longer term it was agreed that future procurements of Partnership infrastructure for processing organic waste and recyclables take a strategic and long term view of waste management from a whole system perspective.

To support these findings the County Council in early 2013 announced that £2 million would be made available on a challenge basis to the boroughs and districts to support capital expenditure linked to the redirection of cardboard as well as efforts to drive up recycling and composting performance by the Partners.

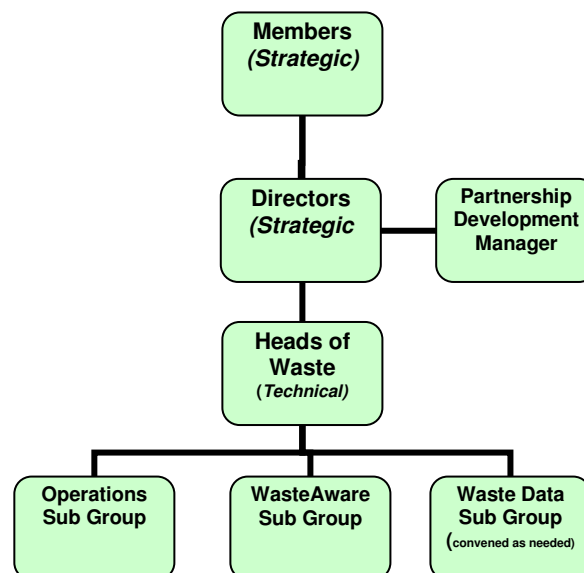
Funding awards took into account a range of factors including how effective proposals were likely to be in diverting cardboard away from the organic waste stream, the number of households served, the timetable for implementation, value for money in disposal terms, efforts to progress joint working as well as any innovations. Stevenage is set to receive £179,703 from this fund.

## Appendix A

### A. Background to the HWP

- A.1. The Hertfordshire Waste Partnership, (HWP) was formed in the mid 1990s to strategically co-ordinate waste management services provided by the 10 district councils and the County Council.
- A.2. It is a Member led organisation advising on policy and strategic direction. This is supported by a series of inter-locking officer groups (see Fig 1 below) including Directors and Heads of Service designed to facilitate 2-way communication and an exchange of important messages, local intelligence and best practice.
- A.3. These same processes should support the sharing of common problems and arrive at multi agency solutions where possible with an emphasis on joint working to secure efficiencies and added value as demonstrated by the HWP's nationally recognised consortia contracts for the sale of collected recyclables.

Fig 1 - HWP Structure



### A.4. Strategy

- A.4.1. In 2007 the HWP agreed a new joint municipal waste management strategy that sets out policies, objectives and actions that prioritise recycling and the long term reduction of residual wastes setting various targets to be achieved by March 2013.
- A.4.2. This process was supported by a consultation exercise which generated 11,000 responses ensuring that local priorities were taken into account. This resulted in the 50% recycling target and supported the notion of recovering energy from wastes which are not recycled.

## A.5. Governance

A.5.1. Given the stringent targets in the joint strategy Hertfordshire's authorities moved to support it by underlining their commitment to joint working through the following documents :-

- **Memorandum of Understanding** – following adoption of the strategy in 2007, the HWP underpinned collective efforts to pursue strategy targets through a formal Memorandum of Understanding.
- **Terms of Reference** – the HWP structure was given additional emphasis through the formal adoption of Terms of Reference in April 2008. These defined the respective roles for each group.
- **Intermediate Inter Authority Agreement (IIAA)** – signed in July 2009 this document underlined cross border political support for the strategy whilst at the same time supported the bid for PFI funding for residual waste treatment facilities in pursuit of long term landfill reduction targets.
- **Herts Waste Partnership Agreement** – the documents noted above have since been integrated into the Hertfordshire Waste Partnership Agreement (Inter Authority Agreement – IAA or HWPA) which was approved at the HWP elected Member meeting on the 31<sup>st</sup> October 2011 and subsequently signed and sealed by all 11 Partner Authorities in January 2012.

A.5.2. The HWPA is a legally binding agreement which commits the Partners to working together on a range of issues based on the provision of cost effective waste management services from a whole service cost perspective. A signed copy of the agreement is held by each Partner Authority.

A.5.3. Whilst the HWPA details a starting point for the waste management services provided by the Partner Authorities, each authority ultimately still has full discretion with respect to the future provision of such services. However, a key change introduced by the HWPA is formalised review (consultation) processes linked to such changes.

A.5.4. The purpose of such reviews is to ensure that one or more partners fully understand the potential impacts of any decisions they take on the other partners with the primary purpose being to ensure that there are net benefits to the tax payer overall. Through such an approach it is intended to discourage unilateral action which could be detrimental to both the tax payer as well as the Partnership.

## A.6. Performance Management

A.6.1. Progress with the HWP's joint waste strategy is managed by comparing performance in key areas against a range of locally agreed targets based on previous national indicators that facilitate meaningful comparison and challenge. This involves reporting performance and risk management information to HWP officer and member groups highlighting critical success factors that inform future service development. HWP member group papers are also published on the WasteAware website for public consumption.

- A.6.2. 2011/12 saw continued significant progress with the HWP achieving a recycling rate of 50.4% thus meeting a key joint strategy target 12 months ahead of schedule. However, figures for 2012/13 indicate a decline to an overall recycling rate of 45.5%.
- A.6.3. The overall success of the HWP's approach is further reflected in the percentage sent to landfill which has shown significant reductions in recent years reflecting both improvements in the range of recycling and final treatment services offered by the Partners as well as the impact of the recent recession.
- A.6.4. The on going development of the strategy and the work of the HWP are supported by the WasteAware campaign using a range of media from printed literature to school plays to encourage behavioural change. This work is supplemented by the WasteAware website which provides information and links to resources on specific service provision within each Authority.
- A.6.5. In addition to the above since 2010/11 the HWP has also published an annual report detailing the work of the Partnership which includes a rolling 3 year look at key performance indicators, development of consortia contracts, and the annual WasteAware campaign etc.

## **B. National & Local Perspective**

- B.1. In recent years the HWP has achieved a number of varied and challenging objectives ranging from the sharing of waste disposal savings over and above the statutory regime to the large scale redirection of cardboard from the organics waste stream in response to new composting standards.
- B.2. Together the Partners spend approximately £85 million per annum on waste and recycling services provided by the Boroughs and Districts as waste collection authorities and the County Council as the waste disposal authority.
- B.3. Whilst the HWP has a good reputation for joint working on a range of issues including most notably the joint sale of bulk recyclables the underpinning delivery model has remained largely the same since the Partnership's inception in the mid 1990s.
- B.4. However, at the same time recent projections by the Local Government Association indicate a funding gap of some £14.4 billion by 2019/20. By the same date it is anticipated that up to half of available funding will need to be spent on some form of social care with all other local services to be funded from the remainder.
- B.5. This underlines the need for the HWP to improve its processes for jointly responding to the challenges of the new funding environment whilst striving to meet expectations.