apse membership resources

State of the Market Survey 2019

Local Authority Refuse Services

Briefing 19-31
August 2019

The state of the market survey was conducted by Wayne Priestley, APSE Principal Advisor for Environmental services

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Local Authority Refuse Services

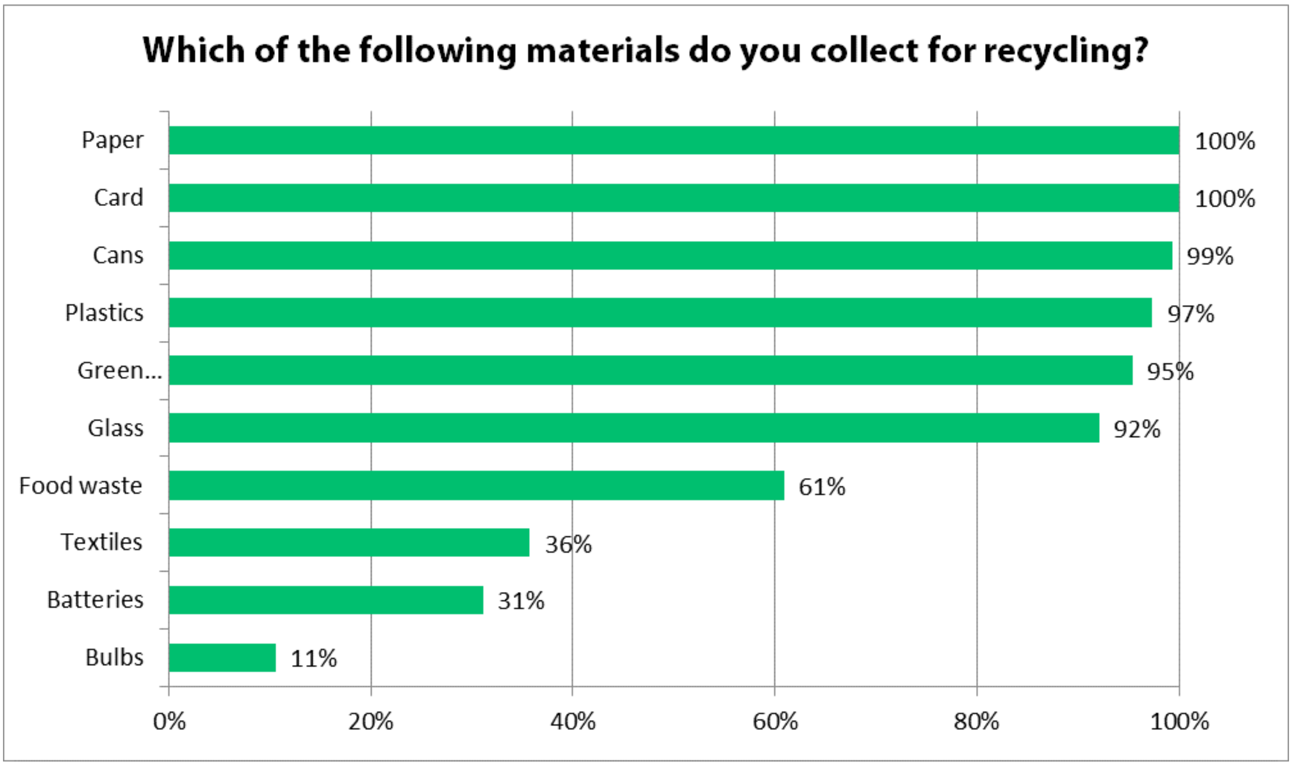
State of the Market 2019

APSE conducted an online survey during May to July 2019. This follows on from 2018, 2017, 2016, 2015, 2013, 2012, 2011 and 2008 Refuse Collection State of the Market surveys where similar questions were asked to allow for trend comparisons. 153 responses were received from local authorities throughout the UK which equates to a 33% rise on respondent levels for 2018.. This report identifies the key findings of the survey.

Results from the survey

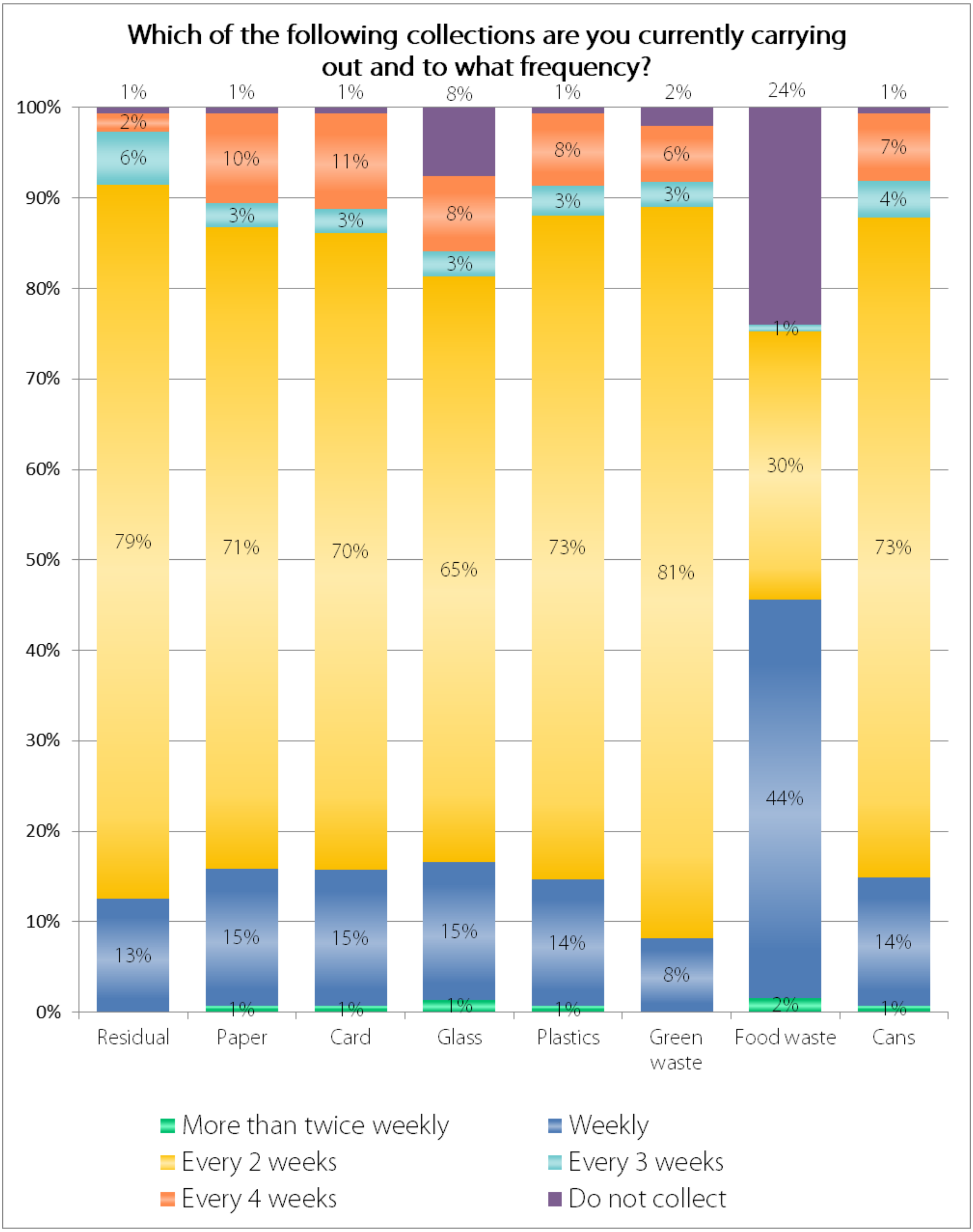
a) Recycling activities

In terms of what recycling activities are currently carried out, the results were as follows:



The above graph shows that there has been an increase in the number of authorities collecting green waste and glass, (up .2%), but conversely there has been a significant fall in those authorities collecting textiles (down 8%) and batteries (down 12%). This fall may well be as a result of the cost of providing separate collection facilities with relatively little return regards tonnages. In addition world export markets for textiles have fallen since 2015 due to economies stagnating or facing internal economic difficulties. There is also a growing e-trade of clothing which is affecting both local authority collections and charity shop donations.

In relation to the frequency of collections (weekly, fortnightly, three-weekly and even four weekly), the number of responses for each of the different types of collections (and the percentage breakdown between collections) are shown in the following chart.



Regarding food waste, there has for the second year running been a slight decrease in the number of authorities collecting this material (down 5%). This fact is surprising when a good deal of tonnage can be collected to add to the recycling rate. Also where food waste is collected there is a 7% increase in collecting it fortnightly as opposed to weekly which has been the norm in the past.. Glass is now recorded as not being collected by 8% of respondents, which is a slight increase of 1% on 2018 figures.

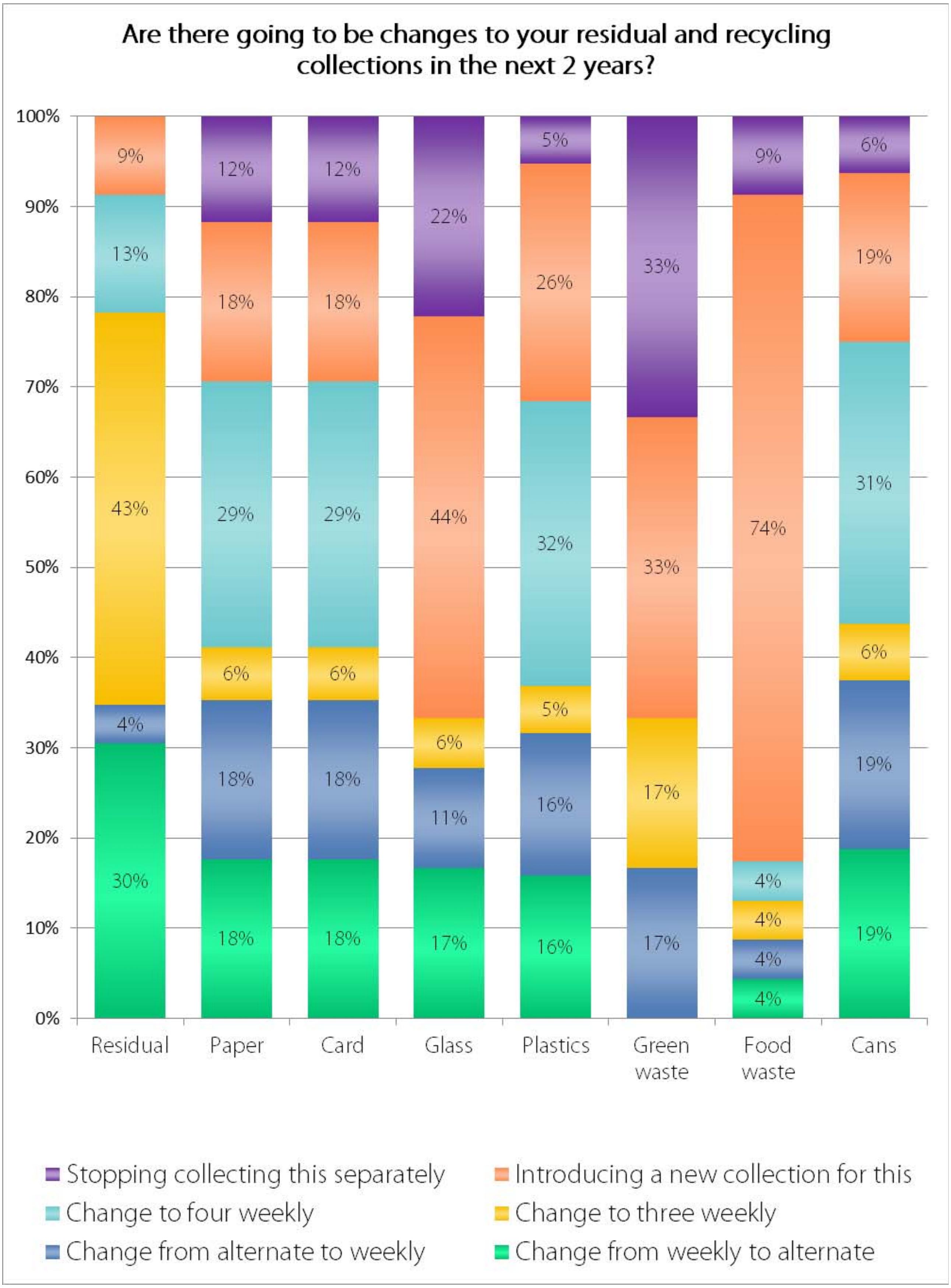
Residual and recycling collection patterns

Members were asked whether there were going to be any changes to their residual and recycling collections in the next 2 years. The number of respondents who indicated that there is going to be changes are displayed on page 6:

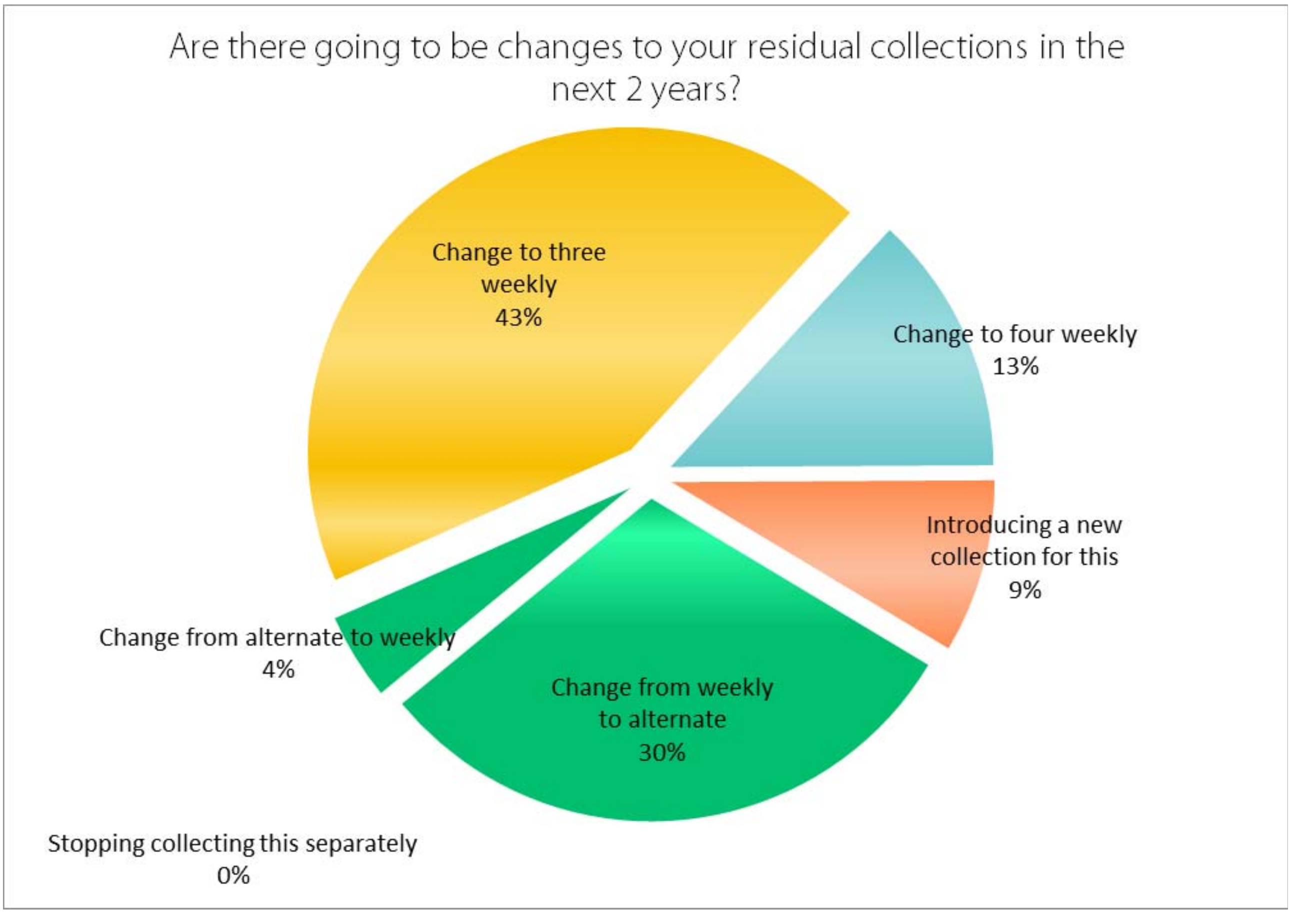
As can be seen in the graph on page 6, the main findings are:

- Collections for paper, card, plastics and cans are moving more towards 3- 4 weekly collection frequencies and a growing number of authorities are moving away from separate collection of materials.
- Overall across all different types of recyclable materials there is a move away from collecting materials on a weekly basis.

- Over 50% of respondents indicated that they will change to three weekly or four weekly collections for residual waste. Only 13% of respondents collect residual waste on a weekly frequency.


Are there going to be changes to your residual and recycling collections in the next 2 years?
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
Residual
Paper
Card
Glass
Plastics
Green waste
Food waste
Cans
9%
13%
43%
4%
30%
12%
18%
29%
6%
18%
18%
12%
18%
29%
6%
18%
18%
22%
44%
6%
11%
17%
5%
26%
32%
5%
16%
16%
33%
33%
17%
17%
9%
74%
4%
4%
4%
4%
6%
19%
31%
6%
19%
19%
Stopping collecting this separately
Introducing a new collection for this
Change to four weekly
Change to three weekly
Change from alternate to weekly
Change from weekly to alternate

We also asked what changes are there going to be in residual collections in the next two years with some stark results as show in the chart below:



The above chart shows there is a potential major shift in residual waste collection methods across the UK in the next two years as local authorities look to increase their recycling rates and cut operational costs. It would appear from these results that the majority of authorities will move to a three weekly residual waste collection service from the current majority which operate an alternate (two weekly) collection system presently. What is also of note is that 13% of authorities are now looking at four weekly residual collections up from 6% in 2018. In 2017, there were no respondent authorities looking at four weekly residual collection services.

a) Collection and disposal methods

48% of respondents indicated that they operate a task and finish system for refuse collection (an increase from 41% in 2018) and 22% use zonal working (collecting all waste from one zone on the same day) an increase from 19% in 2018.

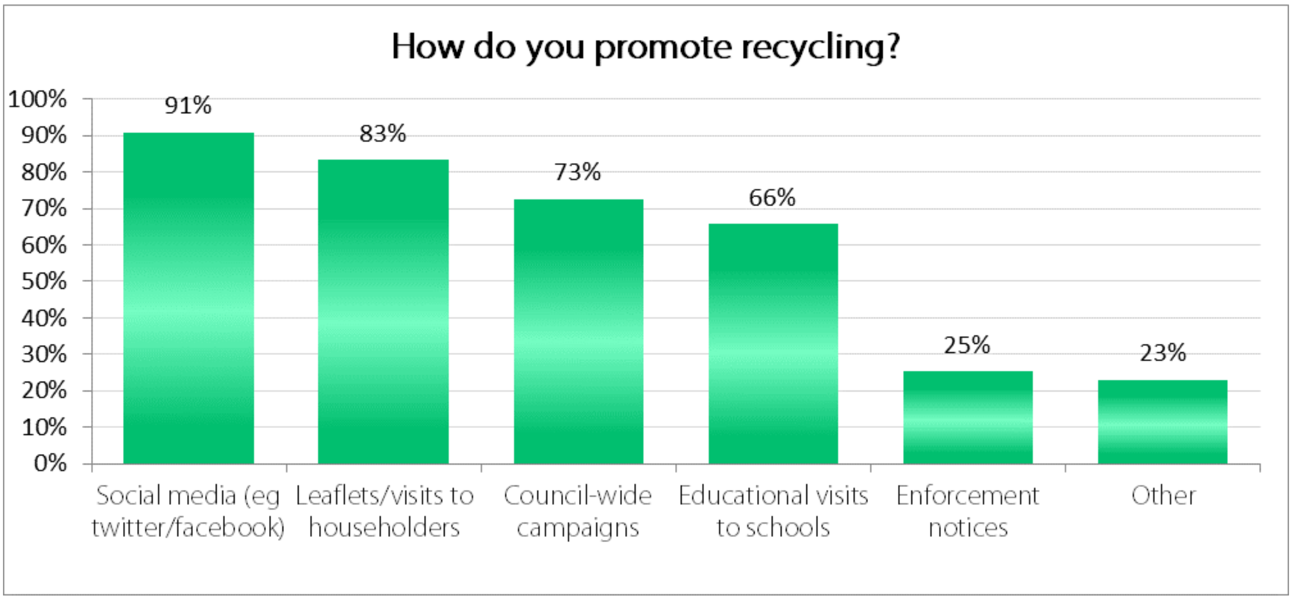
52% operate a 5-day week (an increase from 50% in 2018), whereas 25% operate a 4-day week (up from 21% in 2018). 6% of respondents have a double shifting system in place. Comments to this question noted that some authorities carry out a 7-day a week collection, based around a working pattern over 10 days and others operate a team finish collection system.

On average, under 3- 5% of containers are replaced each year (including residual, kerbside recycling, green and kitchen waste). However, what was noticeable with responses to this question was that a higher than expected proportion returned rates of 10% and over for replacement rates.

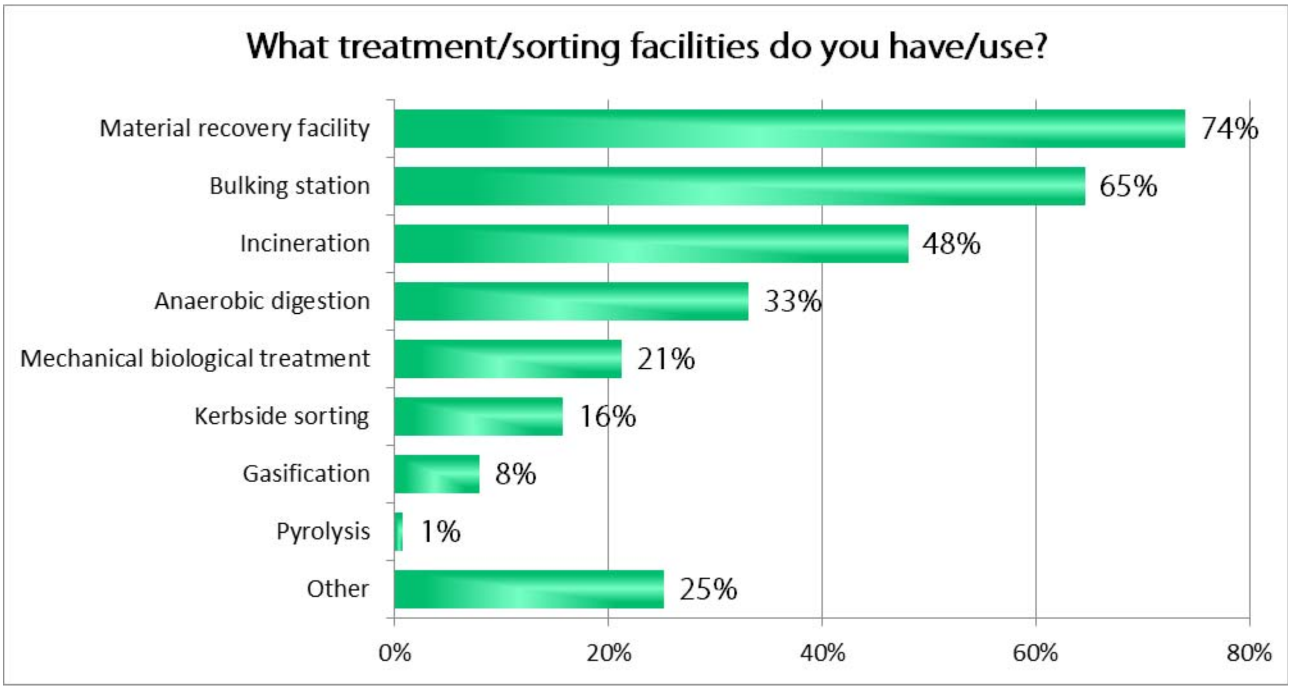
64% operate co-mingled collections up from 58% in 2018 and 18% operate source segregated collections. 18% of respondents replied that they had a mix of both approaches (e.g. paper/card segregated, cans/plastics/glass co-mingled).

Promotion of Recycling

The chart below shows a breakdown of the methods used to promote recycling, the main changes on 2018 is that there has been an increase in the use of school visits. 2018 saw 56% using this approach whereas 2019 has seen 66% adopting this technique.2019 saw a fall of 12% in enforcement notices being served 25% as opposed to 37% in 2018. The use of behavioural change techniques through leafleting, school visits and social media are still the most popular methods used to promote recycling, and it is notable that social media in particular is continuing to grow in popularity as a means to promote recycling.



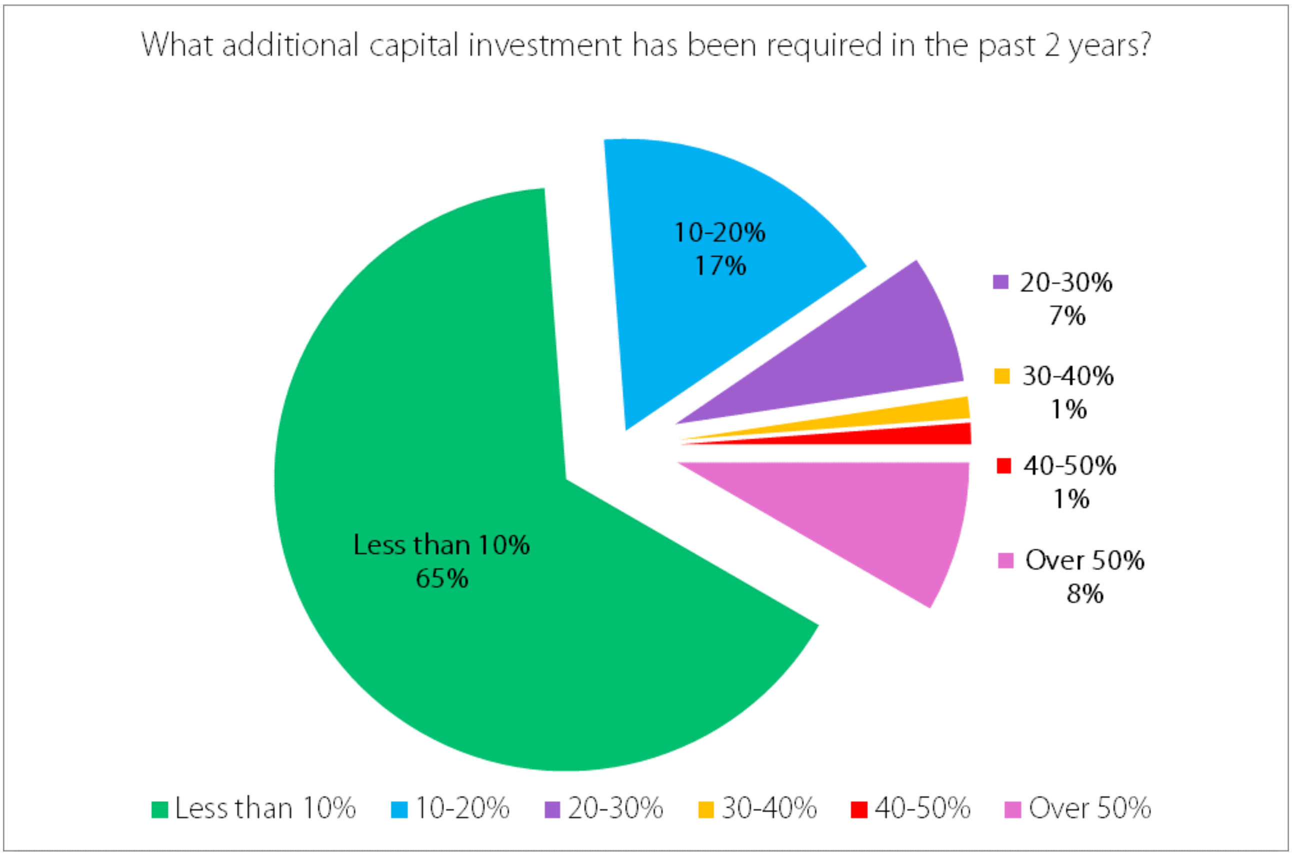
Treatment and sorting facilities include:



Very little has changed in the methods used regarding sorting facilities although there has been a noticeable rise in those authorities using gasification 8% (0% in 2018) and pyrolysis 1% (0% in 2018).

b) Investment in and managing the service

When asked what additional capital investment has been required in the past 2 years, the responses were as follows:



The additional capital investment was used for a range of different purposes such as: replacing and adding new vehicles to the fleet to cope with service demands, procuring new and/or additional containers, the provision of a new depot/transfer station infrastructure, demographic growth and technology such as in-cam monitoring.

c) Budgetary consideration

65% of respondents expect their refuse budgets to change over the next year as opposed to 67% in 2018.

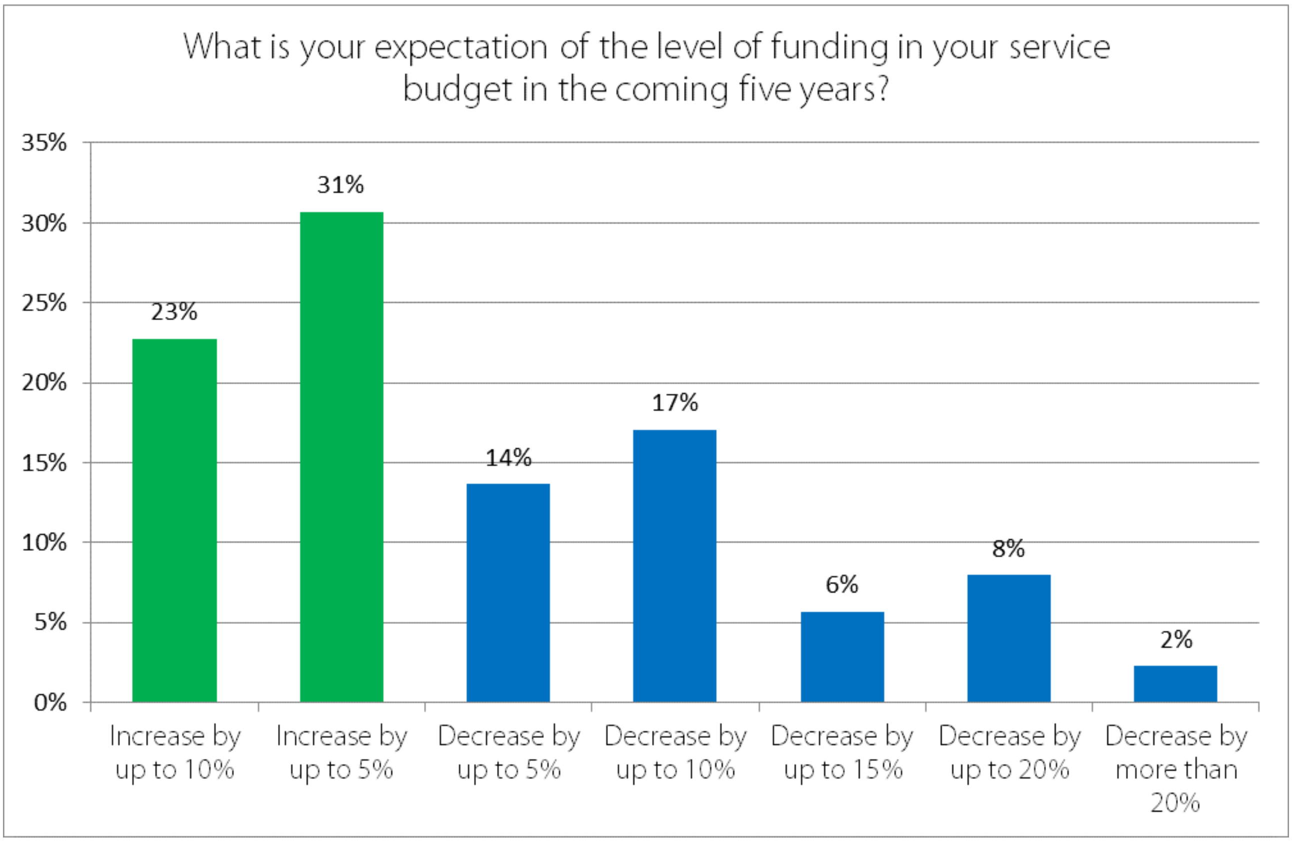
Of those expecting increases, 34% expected increases in revenue and 27% expected an increase in capital.

Of those expecting decreases in budgets, 49% are expecting decreases in revenue and 24% are expecting a decrease in capital.

Where there are budget increases, these are likely to be linked to increases in property numbers and the subsequent need for additional funding to cope with the demand for the service and to cover the increased cost of treatment.

Over the next 5 years, the majority of respondents, (54%) expect to see an increase their service budgets, as opposed to 2018 when many expected to see budget reductions. This expectation of increased budgets was explained by some respondents as being the result of the requirements of the new Resources and Waste Strategy (2018) and the requirements placed within it upon local authorities.

The full breakdown can be found below:



The survey asked 'What efficiencies are you currently working towards or proposing' and the main responses to this question are as follows:

- Route optimisation/double shifting of vehicles.
- Introducing payment by weight for commercial waste
- Moving to alternative weekly collections for recyclables and three weekly collection for residual waste.
- In-sourcing services
- Reducing hours and re-viewing provision of Household Waste Recycling Centres.
- Increasing income generation opportunities e.g. charging for green waste collections/ wheeled bin replacement/ commercial waste contracts
- Introducing new technologies e.g. solar compactor bins, in-cab CCTV.
- Reducing contamination levels and introducing no side waste collection policies.
- Reviewing staffing and fleet levels
- Reducing reliance on agency staff through work planning improvements
- Cross-boundary working and joint authority working

The survey asked about whether councils charge for the following services and the results are as follows:

Service	Yes	No	No but will do within the next 1-2 years
Bulky waste collections	89%	8%	0%

Trade waste collections to schools and hospitals	73%	6%	1%
Green waste collections	43%	46%	10%
Supply of replacement bins	48%	43%	6%
Additional black bags	8%	41%	1%
Clinical waste collections	10%	58%	2%
Food waste collection	0%	65%	0%

The results above show that there has been a decrease in the number of authorities charging for bulky waste, 89% as opposed to 96% in 2018. This may be due to the belief that by not charging fly-tipping may be reduced. Similarly with green waste charges, these have also fallen from 54% to 43% in 2019.

In terms of income from areas like trade waste services and its importance to the future financial viability of your service, 28% stated they could not manage financially without this in order to cover the cost of service provision (up from 22 % in 2018). 22% stated that they need to generate more income to ensure service sustainability (31% in 2018). 31% stated that the additional income is useful but not essential to their service and 23% stated that they do not currently raise any additional income. This latter figure is a surprise as many would argue that there is a need for income generation to plug the gaps in service budgets, but as has been seen in previous graphs, many authorities refuse services are seeing both capital and revenue budget increases over the next 5 years. This increase in budgets is perhaps a recognition that the cuts being forced onto front-line services have reached a 'tipping point,' which would have led to serious impacts on both the public and local environmental quality. This potential return to more realistic levels of funding is perhaps an acknowledgement of this fact. In addition the new Resources and Waste Strategy which will also place additional responsibilities upon local authority waste services for which additional funding will need to be provided.

Whilst some authorities have divested themselves of trade waste services, allowing local private sector companies to provide the service others have arrangements with neighbouring authorities to discharge the statutory duty if requested.

With the 2018 Waste Directive (including TEEP requirements), 63% are not amending their collection methods as they believe they are already TEEP compliant, and 12% are making amends to ensure they are TEEP compliant; the remaining 25% do not believe it is necessary to review their collection methods as a result of TEEP.

When asked about recycling contamination levels 27% stated they had levels under 5%, 23% reported levels between 5-10%, 20% reported levels between 10-15%, 22% reported contamination levels of 15-20% and a further 8% reported contamination levels of over 20%.

With regards to addressing contamination levels 59% of respondents used information campaigns, 18% home visits, 12% enforcement action and 11% remove contaminated recycling bins.

15% responded 'yes' to the question on whether they had or have a planned reduction in recycling credits from their waste disposal authority; 39% answered 'no' and 46% didn't know.

e) Staffing

Regarding managing future staffing levels, within the next 12 months 18.1% expect natural wastage, 12.8% expect voluntary redundancy, 7.5% expect to implement a recruitment freeze, and 3.2% expect compulsory redundancy and 72.5% have indicated that they intend to implement none of these.

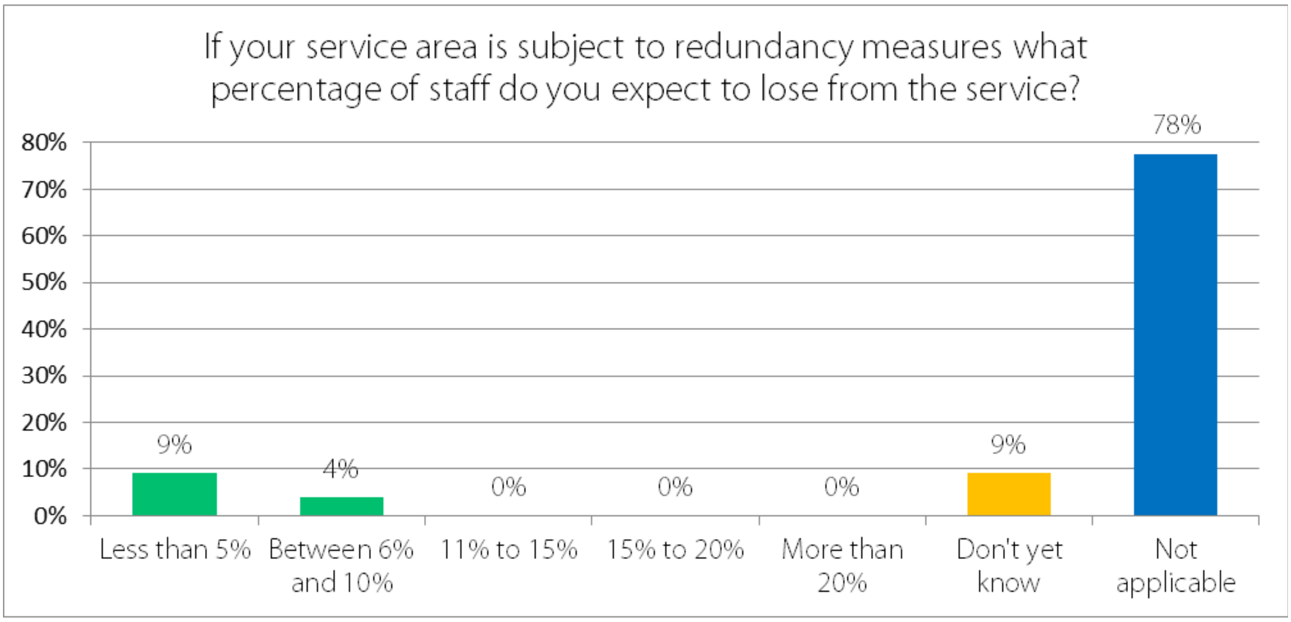
This is a much more welcome picture with reductions in natural wastage and many intending to keep staffing levels the same, although small it is noticeable that the percentage expecting to implement compulsory redundancy has risen from 1.5% in 2018 to 3.2% in 2019. However, overall this perhaps reflects a more settled picture emerging as councils recognise that service quality would suffer if resources as not available to deliver the service.

In addition the budget situation does appear to be a little less worrying than previous years with some services receiving additional funding, both revenue and capital which as stated previously may be a reflection on the fact service reductions had gone as far as they could without seriously impacting on recycling and residual collection levels, as well as the implications of meeting the new Resources and Waste Strategy.

The results from the 2018 and 2017 Refuse State of the Market surveys have been provided below for comparison.

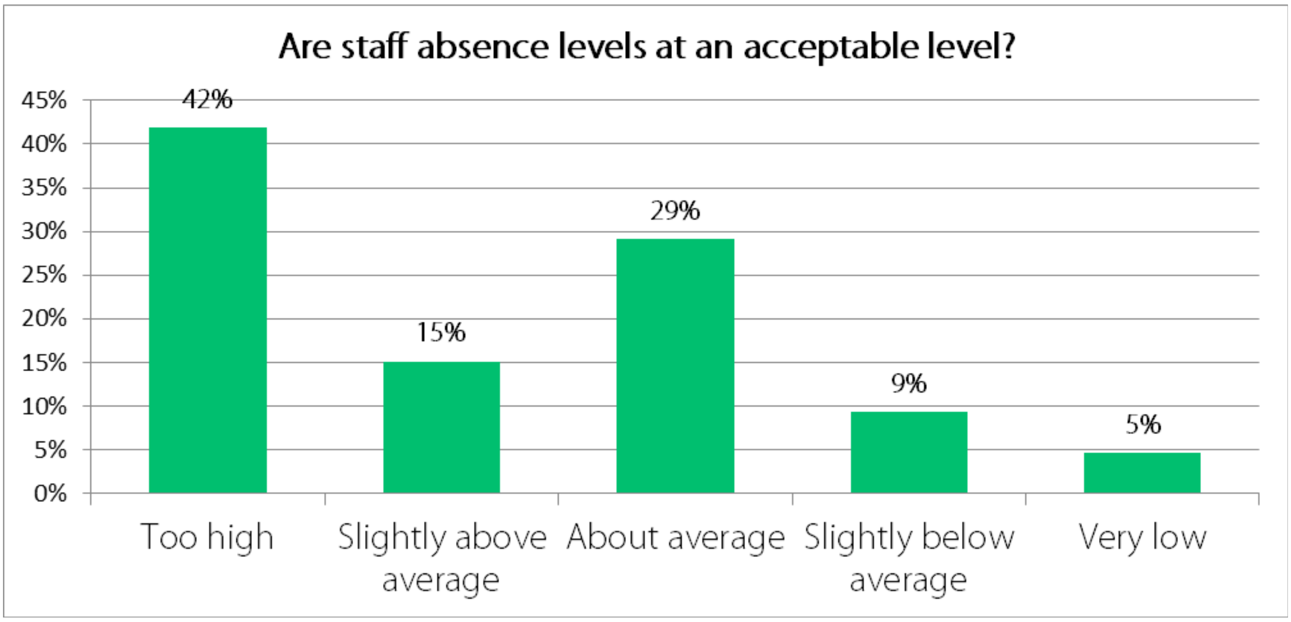
Answer Options	Results from 2019	Results from 2018	Results from 2017
Natural wastage	18.1%	17.4%	30.0%
Recruitment freeze	7.5%	7.3%	8.6%
Voluntary redundancy	12.8%	13.0%	17.1%
Compulsory redundancy	3.2%	1.5%	7.1%
None of these	74.5%	72.5%	62.9%

Of those services who expect to be subject to redundancy measures, they expect to lose the following percentage of staff from the service:



Members were asked what their staff absence levels are, and whether they thought this was an acceptable level. The graph below shows the replies received.

Of real significance is that overall staff absence is seen as too high. 2018 figures for 'too high' were 17% as opposed to 42% recording 'too high' in 2019. This result is something of a surprise as data received through APSE's Performance Networks returns suggests that on the whole absence levels are not an issue. Although what was noticeable on the survey return was that a large number of respondents skipped this question and it is likely therefore that many of these did not feel it was an issue for hem and as such didn't think it necessary to answer the question which had they might have resulted in a much higher score for the about average return. Further work will need to be entered into before these returns can be verified.

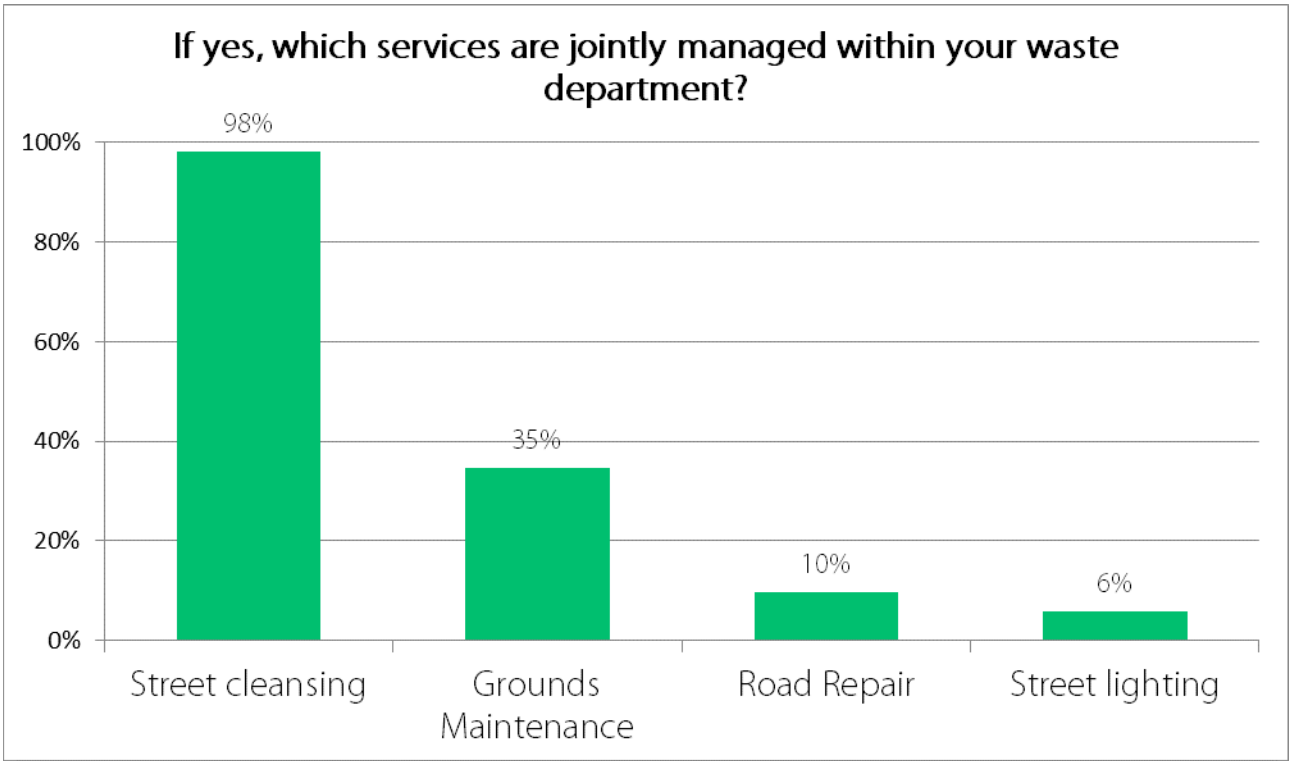


With regards to training budgets, 10% envisaged an increase in the training budget over the next 12 months, as opposed to only 6% in 2018, which is a welcome sign.11% stated that their training budget would will decrease, the same figure as 2018 and 79% stating this will stay the same These results show a slight improvement on previous years.

f) Service provision

72% currently manage their service in-house, 5% via joint waste authorities and 23% are external. Of those respondents whose service is managed externally, the survey asked how long the contract is for and the majority were for '7-10 years' (52%), and the rest were relatively evenly split between 'up to 5 years' (15%), '5-7 years' (18%) and '10+ years' (15%). 77% indicated that they have an option to extend the contract. 67% expect their service to be managed in-house over the next 2-3 years which is a significant increase on 2018 when the figure was 56%. 21% stated that they expected their service to be managed externally and 7% expected their service to be managed by joint waste authorities.

55% of respondents indicated that their refuse service is integrated with other service areas (51% in 2018 and of those this includes the following services being jointly managed:



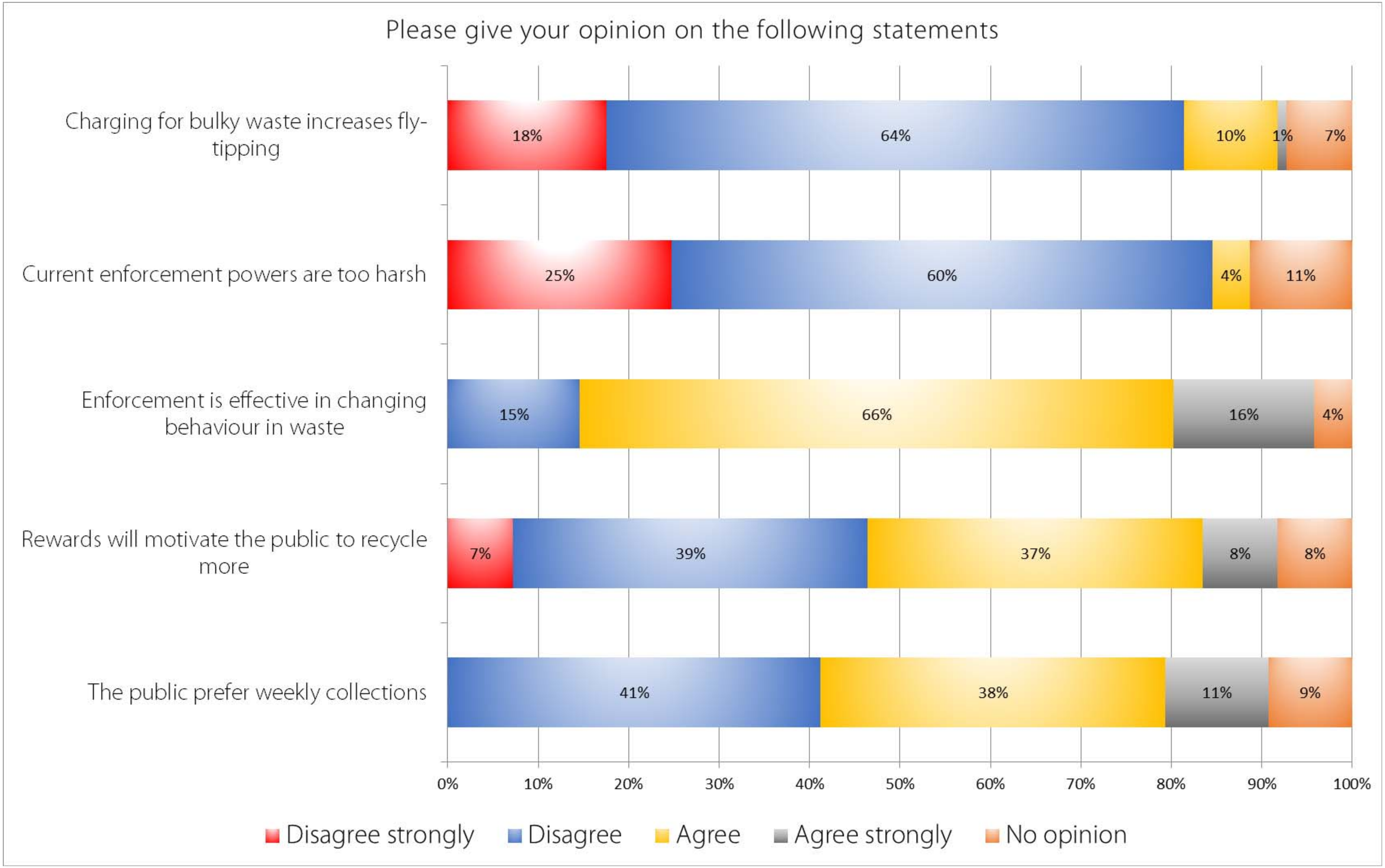
Of those respondents who indicated that they aren't integrated with other service areas at the moment, 22% expect to become part of an integrated street scene service in the near future (26% in 2018). This constant change in percentages in services being considered for integration, is probably a reflection of the constant reviewing of departmental structures.

g) Your opinions

The chart overleaf shows the breakdown of respondents who agree/disagree with a series of service statements:

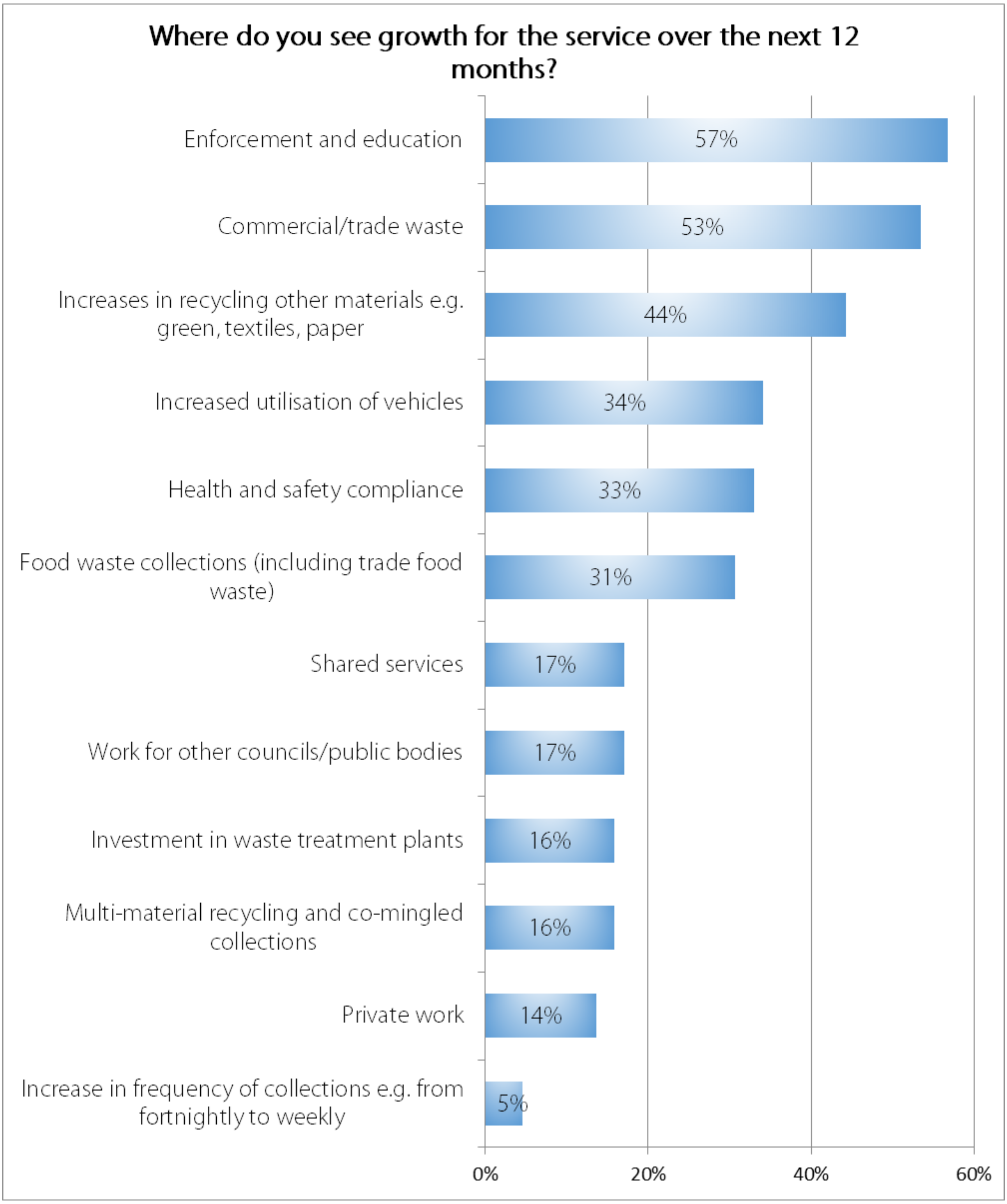
From the results it does appear that there is a general view that respondents believe that people should be made responsible for the waste they produce by 85% of respondents stating that they agree, or strongly agree, that enforcement powers are not too harsh and that 81% agree, or strongly agree, that enforcement does help change public behaviour in relation to waste, although these figures have fallen from the results gained in 2018. Interestingly, 82% of respondents did not agree that charging for bulky waste removal promoted fly-tipping, which suggest they believe as stated previously, that the public should be made responsible for correctly disposing of their waste for which a charge should be made. However again, this figure has fallen from 2018 when the figure was 96% Coupled to this, is the view that rewards are effective in making the public recycle more. 46% agreed with this fact which is decrease when compared to 2018 figure of 54%, perhaps suggesting that the view is that rewards do not promote better levels of recycling.

The number who disagree that the public prefer a weekly refuse collection has fallen from 45% in 2017, to 41% in 2019. This fall may be a concern about the greater use of 3 and 4 weekly residual collections and possible public dissatisfaction with the reduced residual collection service.

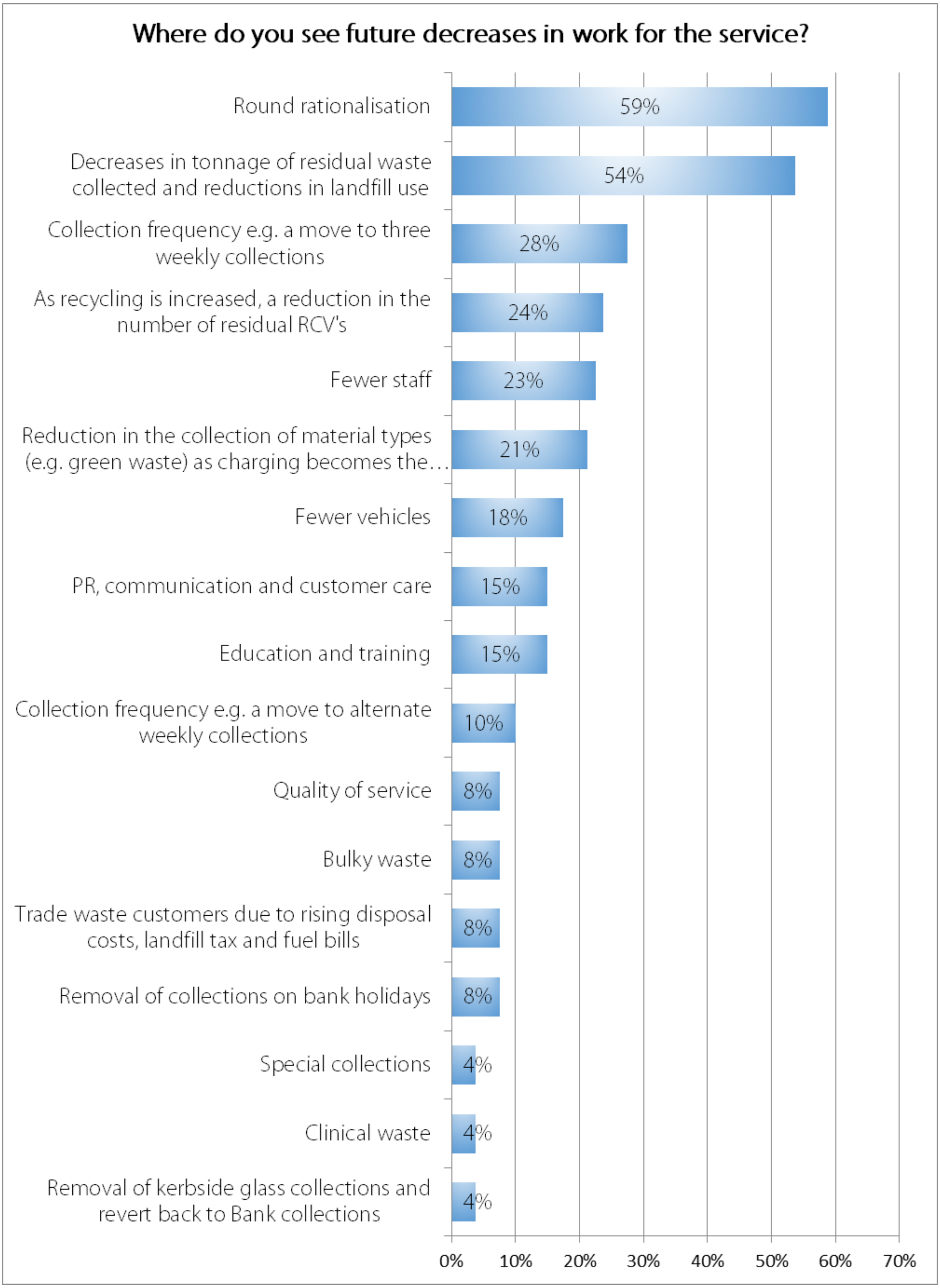

Please give your opinion on the following statements
Charging for bulky waste increases fly-tipping
Current enforcement powers are too harsh
Enforcement is effective in changing behaviour in waste
Rewards will motivate the public to recycle more
The public prefer weekly collections
18%
64%
10%
1%
7%
25%
60%
4%
11%
15%
66%
16%
4%
7%
39%
37%
8%
8%
41%
38%
11%
9%
0%
10%
20%
30%
40%
50%
60%
70%
80%
90%
100%
Disagree strongly
Disagree
Agree
Agree strongly
No opinion

h) Future areas of work growth and service reviews

Respondents were asked where they see growth for the service over the next 12 months. Noticeable increases on 2018 were in relation to increased recycling across a range of materials which may be a reflection of the forthcoming requirements of the Resources and Waste Strategy (2018)., Increases are also seen in investment in waste treatment plants which clearly relates to the expectations of recycling more recyclable waste. Service growth was also recorded regards increasing commercial and trade waste collections. A summary of responses are included in the chart below:-



Respondents were also asked where they see future decreases in work for the service. The responses included:


Where do you see future decreases in work for the service?
Round rationalisation
59%
Decreases in tonnage of residual waste collected and reductions in landfill use
54%
Collection frequency e.g. a move to three weekly collections
28%
As recycling is increased, a reduction in the number of residual RCV's
24%
Fewer staff
23%
Reduction in the collection of material types (e.g. green waste) as charging becomes the…
21%
Fewer vehicles
18%
PR, communication and customer care
15%
Education and training
15%
Collection frequency e.g. a move to alternate weekly collections
10%
Quality of service
8%
Bulky waste
8%
Trade waste customers due to rising disposal costs, landfill tax and fuel bills
8%
Removal of collections on bank holidays
8%
Special collections
4%
Clinical waste
4%
Removal of kerbside glass collections and revert back to Bank collections
4%
0%
10%
20%
30%
40%
50%
60%
70%

The notable changes from 2018 included fewer respondents reporting there would be a reduction in education and training, PR, communication and customer care and quality of service. This again could be linked to the need to deliver the Resources and Waste Strategy where greater levels of staff training and public communication and engagement will be needed if areas such as greater consistency of collections and better understanding of service changes by the public will be needed.

When asked if respondents had undertaken a service review recently, 32% stated that they have completed this, 37% stated that they have a review which is underway and 24% stated that they will be doing so in the next 1-2 years. Only 7% said 'no' and they won't be undertaking a review in the next 1-2 years.

Respondents stated that the reviews involved the following:

Route optimisation	84%
Service re-design	65%
Utilisation of vehicles	58%
Review of productivity/work study	43%
Income generation capacity	42%
GPS tracking	39%
Review of working time/rota's	36%
CRM handhelds	17%
Using systems thinking techniques	17%
Eco drive vehicle monitors	12%
Other	5%

APSE comment

It is clear from the survey charts and data relating to the future of services, that whilst reducing service delivery costs and increasing income generation still remains important for service managers across the UK., there are signs that serious consideration is now being given to the impacts of the Resources and Waste Strategy (2018) will have on local authority waste services.

With regards to the collection and recycling of waste, more local authorities are reducing their residual collection services and indeed the frequency of recyclable waste collections with the aim of both driving up recycling rates, and reducing collection costs. Results for 2019 have shown that over 56% of respondents will be implementing three weekly or monthly residual waste collections in the next 2 years with a view to increasing recycling levels.

Despite concerns over TEEP requirements, most local authorities still continue to collect recyclables as co-mingled, rather than separate collections of materials. The main point which needs to be emphasised is that although more authorities are collecting a wider range of recyclable materials, ,it is the quality of materials collected which will need to become the major focus if new recycling services are to find end markets for what they collect. This is a key requirement of the Resources and Waste Strategy through its aim to implement more consistent recycling collections to drive up the amount and quality of materials collected.

Whilst overall funding reductions in the collective area of 'neighbourhood services' has shown significant decreases in total service expenditure, amounting to £3.1billion for England alone, refuse and recycling services have fared marginally better than expected., and this year's returns suggest this will continue to improve. This has been given an even greater commitment by Government who have promised to provide additional funding to deliver their Resources and Waste Strategy and much of this funding will be provided to local authorities to improve recycling collection infrastructures.

As stated previously, local authorities face the threat of increased landfill costs and taxes from failing to increase recycling targets, together with the need to achieve service efficiencies and allay potential public dissatisfaction with reduced residual waste collections. Now with the demands of the Resources and Waste Strategy (2018), they will be will required to further improve recycling services to counteract these concerns by collecting more and better quality recyclables, in some cases more frequently than at present for which they will need additional government funding.

An important element which has come out of the survey is that in-house provision has risen and for the second year in succession, fewer local authorities are expecting services to be externalised. Equally fewer authorities are expecting to have to cut staff and vehicle numbers. Perhaps one of the key findings of the report is that income generation appears to be of slightly less importance as service budgets seem to becoming healthier although not returning to the pre-austerity levels of funding.

Finally it is worth noting, that as more than 50% of local authorities are reporting that they have declared a Climate Emergency, refuse and recycling services will have a fundamental role to play in reducing the carbon footprint of the council. They will also have a much bigger role to play in reducing greenhouse gas emissions and reducing waste and increasing recycling to support a circular economy approach. These issues raise challenges for the sector and indeed the financial resources to deliver meaningful action on climate change. The networking and sharing of best practice through the APSE Advisory Group network will be even more critical in the coming years to ensure that the sector stays well-briefed on the latest developments and collaborative action and sharing information on each other's responses to their Climate Emergency Declarations.

The statutory nature of refuse collection services and their impact on cross–cutting agendas, means that their role will always have significant strategic priority for many local authorities and as such the future of service delivery methodologies will never be far from being on local and national priorities. It is hoped therefore that the information contained within the findings of this survey will prove helpful in assisting local authorities to make future decisions in this service area.

The Association for Public Service Excellence

APSE member authorities have access to a wide range of membership resources to assist in delivering council services. This includes our regular advisory groups, specifically designed to bring together elected members, directors, managers and heads of service, together with trade union representatives to discuss service specific issues, innovation and new ways of delivering continuous improvement. The advisory groups are an excellent forum for sharing ideas and discussing topical service issues with colleagues from other councils throughout the UK.

Advisory groups are a free service included as part of your authority's membership of APSE and all end with an informal lunch to facilitate networking with peers in other councils. If you do not currently receive details about APSE advisory group meetings and would like to be added to our list of contacts for your service area, please email enquiries@apse.org.uk.

Our national advisory groups include:

Facilities Management & Building Cleaning

Catering

Cemeteries and Crematoria Services

Environmental Health

Housing and Building Maintenance

Commercialisation network

Parks and Horticulture

Renewables and Climate Change

Roads highways and street lighting

Sports and Leisure

Vehicle maintenance and transport

Waste, Refuse and Street scene

If you require any further information on the findings of this State of the Market survey 2019 please contact Wayne Priestley Principal Advisor for Environmental Services at wpriestley@apse.org.uk