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Staffordshire Waste Partnership; Exploration of efficiencies in waste management

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1 Context

The authorities of Staffordshire and Stoke on Trent have jointly agreed to explore where efficiencies in waste services can be identified to provide savings for the Staffordshire and Stoke on Trent tax-payer. Local Partnerships¹ have been asked to undertake an initial review, identifying opportunities for savings whilst at the same time taking into account how this may have an impact on performance.

It is acknowledged that all Staffordshire Authorities and Stoke on Trent have been reviewing services and implementing changes to deliver more efficient services against an ever decreasing budget. The aim of this review is to flag up areas that could be explored further (or re-explored in some cases) and highlight examples of what has been achieved elsewhere and consider any impact on performance.

The objectives of the MoU agreed between LP and the Staffordshire Waste Partnership were:

Local Partnerships to support the Client by:

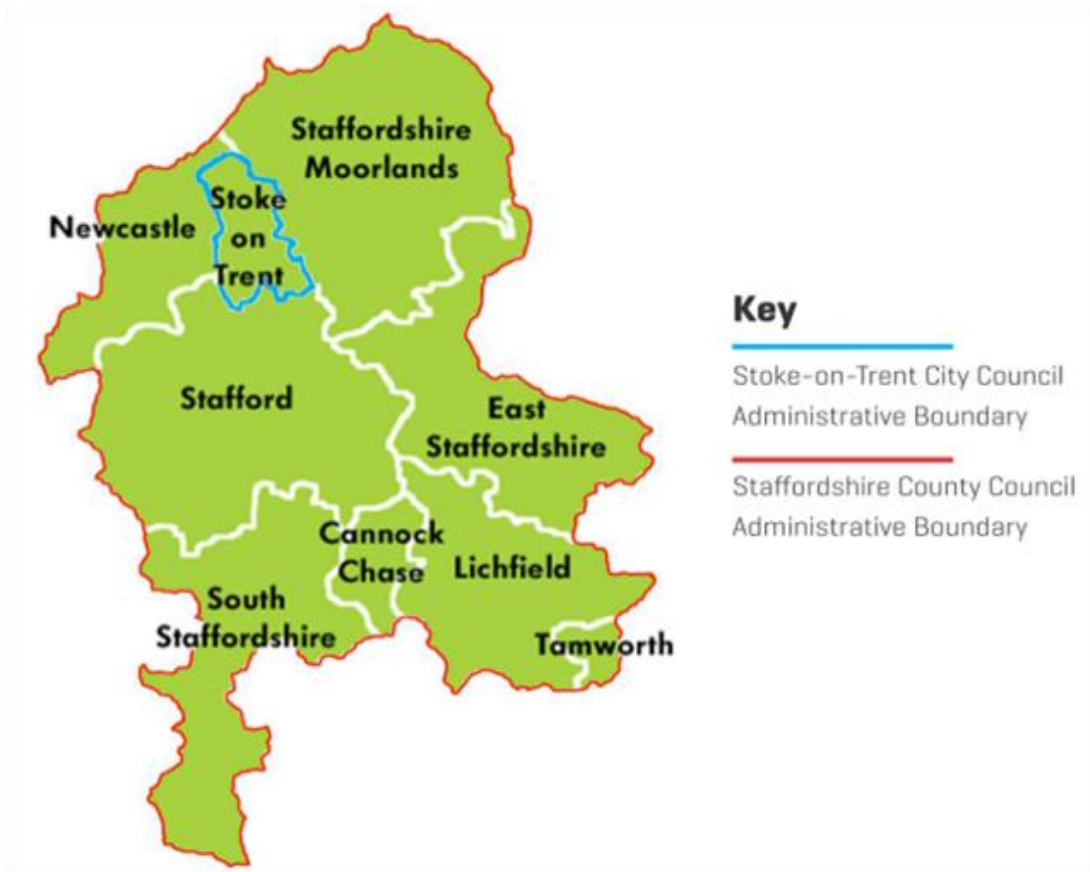
- Undertaking a broad, high level review of current services to identify a variety of options to assist in the reduction of costs whilst maintaining current services (this review should not consider current contract end dates or SWP suggestions – in effect the scope is a blank paper asking for recommendations).
 - The scope of the review is to focus upon creating holistic savings for the tax payer (avoiding cost shunting) from providing the same services more efficiently and any effects on recycling rate will be considered thereafter as necessary.
 - The results of which will form the basis of a waste transformation project offering a medium term (4 to 8 year) change programme.
- Producing a report based on the above review for presentation to representation from all 10 councils within Staffordshire Waste Partnership at the next meeting of the Joint Waste Management Board on Monday 29th February 2016. Attendees will include Waste Officers, Directors, Members and Chief Executives. Local Partnerships will present the report on the review and facilitate discussions to determine a way forward.

1.1 Introduction to the authorities and the partnership

There are 8 district authorities (WCAs), 1 county council (WDA) and 1 unitary authority (WCA/WDA) involved in the review. Two of the districts currently provide a joint waste collection service; Lichfield and Tamworth. In addition Staffordshire Moorlands and neighbouring High Peak in Derbyshire have a joint CEO and staffing arrangement.

¹ Local Partnerships is a Treasury and LGA funded body, focused on supporting the public sector in terms of delivering an efficient value for money service.

Figure 1: Outline map of the authorities



All authorities are members of the Staffordshire Waste Partnership (SWP). Within this two-tier plus unitary partnership, 8 district and borough councils are Waste Collection Authorities (WCAs), the County Council is the Waste Disposal Authority (WDA) and there is 1 Unitary (Stoke on Trent) that serves as both WCA and WDA. The SWP was established in 2001 to provide a platform for collaborative working between the two tier authorities and the unitary authority, to provide a consistent framework for waste management through the production of a strategy, offer knowledge sharing opportunities, and to present efficiency savings with consortium agreements.

Between 2009 and 2012, the main role of SWP was to highlight awareness of waste issues across the partnership. During this time two Waste Minimisation Officers were employed by SWP, to support and work with local Waste and Recycling Officers in each authority. In 2013, SWP changed focus to adapt to changing legislation by concentrating on the strategic development of SWP. It was agreed that rather than have two Waste Minimisation Officers in post, a single strategic role that was focused on the management of key projects and facilitation of the required changes to meet the core objectives of the refreshed strategy was needed. This arrangement is currently in place.

2 Current Performance

2.1 Recycling rates

Excellent recycling rates are being achieved (over 50%) by all authorities, with the exception of Stoke on Trent (33%). This compares very favourably with national figures; all bar one of the authorities are in the top 25% in terms of household waste recycling performance data.

Comparing data over the last three years² shows that the majority of authorities have seen a plateauing or slight reduction of performance from 2012 – 2015 (table 1); something that is being mirrored to an extent across the UK, particularly amongst higher performing authorities.

Table 1: Household Waste Recycling Rates (ex NI192)

	% household waste reused, recycled, composted (ex NI192)			
	2012/13	2013/14	2014/15 (position in league table)	LA reported 2014/15 – JWMB paper Item 6C (spreadsheet) ³
Cannock Chase	51.96%	51.34%	50.1% (82)	52.08
Staffordshire Moorlands	53.95%	50.76%	55.2% (36)	55.62%
South Staffordshire	50.37%	55.17%	54.13% (44)	54.13%
East Staffordshire	52.92%	52.25%	51.7% (62)	52.06%
Newcastle under Lyme	51.73%	50.74%	51.6% (67)	51.59%
Stafford	52.25%	52.59%	52.8% (51)	54.80%
Lichfield & Tamworth			54.10% (~45) ⁴	54.10%
Stoke on Trent	36.63%	34.31%	33.7% (294)	33.7%
Staffordshire CC	53.63%	52.35%	51.9% (57)	55.6%

For many authorities maintaining a service and also maintaining levels of performance being achieved, on an ever decreasing budget, remains the priority. Whilst for others, some changes being considered to meet budget shortfalls will have an inevitable impact on performance levels. For authorities in Staffordshire that are achieving over 50% there is a question of whether there is an appetite to forgo a percentage point or two if the savings are significant enough, or whether politically this is unpalatable considering the targets⁵

² <https://www.gov.uk/government/statistical-data-sets/env18-local-authority-collected-waste-annual-results-tables>

³ Reasons given by the authorities for the difference in recycling rates are varied and include: estimated data being used on the JWMB spreadsheets; authority data being material collected for recycling (and therefore including reject/contaminants whereas the government data excludes this); street sweepings being included in the SCC figure, and not being accounted for in the government recycling data.

⁴ No combined figure for the two authorities is given. If we base it on the figure provided in the LA spreadsheet then it would place them around 45th in the table.

⁵ A target was set to achieve 55% by 2015 and in the refreshed strategy in 2013 it was deemed that authorities were on track to achieve this, although this has not been the case. However a more far reaching target has not been set for 2020 and it should be noted that the SLA regarding four ashes EFR has the deadline of 2020 for the 55% target which is higher than the national target of 50% by 2020.

set out in the Integrated Municipal Waste Management Strategy for Staffordshire and Stoke-on-Trent (refreshed and updated in 2013).

2.2 Residual Rates

In terms of residual waste, again there has been some movement, with most authorities seeing a slight increase on last year's data (table 2). Clearly if the trend continues with residual waste arising increasing, this is an added cost, specifically for the WDA/Unitary in terms of treatment and disposal.

Table 2: Residual household waste per household

	Residual household waste per household (kg/household) (Ex NI191)		
	2012/13	2013/14	2014/15
Cannock Chase	442.98	449.02	460.5
Staffordshire Moorlands	419.16	450.56	395.5
South Staffordshire	479.50	446.74	461.0
East Staffordshire	434.74	448.13	448.1
Newcastle under Lyme	421.64	433.03	427.5
Stafford	437.81	441.25	443.6
Lichfield	410.60	425	449
Tamworth	440	440	445
Stoke on Trent	561.27	603.36	601.4
Staffordshire County Council	495.77	521.33	528.3

Any opportunities identified need to be considered in the context of ensuring residual waste per household does not continue to grow; specifically in terms of whether any initiatives identified as generating savings, avoiding costs or generating an income at WCA level then have a negative impact at the WDA level in terms of residual waste arisings.

2.3 Material Yields

In terms of material yields, WRAP benchmarking 2013/14 has been used to make an initial review of yields of material collected for recycling (refer to Appendix 1). Cannock, Lichfield, South Staffordshire, and Tamworth perform very well for all materials compared to other authorities at a UK and regional level and also compared to those authorities with similar characteristics. East Staffordshire and Stafford⁶ appear to underperform with regard to paper but perform comparably well for all over materials at UK, regional and comparable authority level. Staffordshire Moorlands has a good overall comparable yield in terms of combined data for the five widely recycled materials, but performance varies for specific materials, such as paper and textiles. Stoke on Trent is low for paper and has a variable performance for other materials at UK and regional level, but performs well in relation to textiles. The overall yield for the 5 widely recycled

⁶ Care must be taken when using this data. To calculate yield tonnages re taken from Q10 (kerbside) of WasteDataFlow. Where an authority collects comingled estimates are made of the proportion of each material in the mix is applied to the tonnage. Therefore the effect of splitting out this tonnage on the individual material yields is quite significant and it should be noted that these yields are estimates, particularly when comparing to authorities who are collecting material separately and are reporting actual tonnage. In addition contamination has not been factored in to these yield estimates.

materials is comparably low. Newcastle under Lyme yield figures are generally low to mid table for all materials using the WRAP benchmark.

Some more up to date yield data has been made available by some of the authorities in the review, but it is very variable in terms of detail provided (Appendix 1: Table A1.3). In addition it refers specifically to kerbside collected material. One point to note is that the yield in Kg per household for mixed garden and food waste is generally no greater than the yield generated for garden only collections (this is discussed in more detail in Section 6). In addition, whilst the 2013/14 WRAP benchmarking shows Newcastle under Lyme generally performing low to mid table, it is worth pointing out that the overall yield for kerbside collected material in 2014/15 for Newcastle under Lyme is high and also benchmarks very favourably with APSE average data.

Obviously yield only tells part of the story, it does not account for quality and contamination. For those offering a comingled collection, whilst yield of collected recyclate may be high, there will be some loss through rejects at the MRF. Whereas Newcastle upon Lyme, which offers a source separation scheme, they may be comparably lower than others in yield collected, however the significant income from the recyclate could reflect the quality of material they are collecting. In addition, Newcastle upon Lyme is introducing changes to the collection service in order to increase the quantity of material being collected, so we can expect a significant change to the benchmarking data show for 2013/14.

3 Current services

3.1 Collection contracts

Across the 9 authorities with collection responsibilities, in-house services dominate. Those who are contracted out are the neighbouring authorities of Cannock Chase, South Staffordshire and Stafford and all are with Biffa. Contracts are currently not co-terminous or delivered in partnership; there has been some consideration of the potential to deliver joint services in the past, this is discussed in more detail later in the report.

Table 3: Collection contacts

	Residual	Recyclate	Organic
Cannock Chase	Biffa (from 04/16 until 2023)	Biffa (from 04/16 until 2023)	Biffa (from 04/16 until 2023)
Staffordshire Moorlands	In-house	In-house	In-house
South Staffordshire	Biffa (until 2020)	Biffa (until 2020)	Biffa (until 2020)
East Staffordshire	In-house	In-house	In-house
Newcastle under Lyme	In-house	In-house (from 07/16)	In-house
Stafford	Biffa (until 2018)	Biffa (until 2018)	Biffa (until 2018)
Lichfield & Tamworth	In-house	In-house	In-house
Stoke on Trent	In-house	In-house	In-house

There is much discussion at present as to whether in-house or contracted service offers the best value for money. SWP has recent examples of where a partial in-house service has been fully outsourced and equally where a partial outsourced service is being brought back in-house. There is no definitive answer as to which approach is best and both offer arguable strengths and weakness; the priority remains selecting the best option for each circumstance. However one area that is expected to feature more widely when considering models of working, is the formation and role of a Teckal Company; wholly owned by local authorities and providing services to those authorities. In section 6, we cover more on how a number of authorities are adopting this method to provide waste services.

3.2 Frequency of collection

The standard residual collection is fortnightly. This reflects the majority of authorities in England with 72% currently providing a fortnightly residual collection (WRAP 2014/15 data for England⁷). In terms of dry recyclate all authorities provide a fortnightly collection of dry recyclate, with the exception of Newcastle under Lyme which is commencing a weekly collection of dry recyclate in July 2016. With this increase in frequency (which will increase available weekly capacity for recyclate) it is estimated that this change will bring about savings of £500,000; achieved through remodelling of transfer and sorting facilities which will support increased diversion of recyclables, reduced operational costs from new vehicles, plus additional income from increased tonnage of recyclate.

⁷ <http://laportal.wrap.org.uk/ORIS.aspx>

3.3 Dry recyclate service

Three authorities offer a comingled service, three offer two stream (comingled plus separate paper), one offers three stream (comingled, paper and textiles), and Newcastle under Lyme provides a multi-material/source separated service. This range of systems compares with the national picture where around 51% authorities are providing comingled, 33% are providing two stream, and 25% are multi material/source separated (WRAP 2014/15 data for England⁸).

The authorities offering 2 and 3 stream collections are neighbouring WCAs, and whilst all collect paper separately, different receptacles are used for the separated materials.

3.4 Organic collection service

Currently four authorities collect mixed garden and food together but this will drop to three in April 2016 when Cannock remove food waste from the organic collection service and drop again to two when East Staffordshire remove food waste from the mixed collection in April 2017. Three (soon to be four/five) collect just garden and have no separate provision for food waste and only one authority collects separate garden and separate food. This does not reflect the current picture in England where 31% authorities have a separate food collection and 17% mixed food and garden (WRAP 2014/15). It should be noted that Lichfield and Tamworth did offer a mixed garden and food waste collection until 2014 when the food aspect of the service was withdrawn due to cost of treatment and the low levels of food waste collected. Cannock is changing its service and removing food from April 2016 for the same reasons.

This is a pattern that is starting to emerge across the UK, with high gate fees charged at IVC facilities, compared to gate fees for open windrow, suitable for garden waste. The median gate fee for open air windrow, is £24 per tonne of garden waste, compared to £46 per tonne of mixed garden and food waste at an IVC facility (WRAP Gate Fees Report 2015); these figures are broadly comparable in Staffordshire, although open windrow is cheaper in each case (Table 4). In addition participation in food and garden waste mixed collections can be relatively poor, making it an expensive service for limited gain if the purpose is to remove food waste from residual waste stream.

None of the authorities currently charge⁹ for garden waste collection, compared to 42% authorities in England (WRAP 2014/15¹⁰). However three, soon to be four, authorities collect just garden waste and therefore the potential (if there is the appetite for it) for a charge to be applied does exist.

Table 4: Charges for organic waste treatment

	Open windrow	IVC (£ per tonne)
Cannock Chase		£35.00
Staffordshire Moorlands		£40.00 - £43.00
South Staffordshire	£19.29	
East Staffordshire		£49.29
Newcastle under Lyme		
Stafford	£18.45	
Lichfield & Tamworth	£20.00	£48.00
Stoke on Trent		£38.86 - £54.31

⁸ <http://laportal.wrap.org.uk/Statistics.aspx>

⁹ Newcastle under Lyme charges for an additional bin for garden waste – there is a fee for the bin itself and a service charge. However the standard garden waste collection is free.

¹⁰ <http://laportal.wrap.org.uk/Statistics.aspx>

3.5 Containers used for household collection¹¹

A range of bins used across the authorities for residual collection including 140l, 180l, 240l. 240l wheeled bins are used for garden/garden & food collection. 1 authority offering food only collection use kitchen caddy and kerbside caddy

All WCAs use 240l wheeled bins for recyclate collection, with the exception of Newcastle under Lyme. This container is blue except in Staff Moorlands where it is grey. 4 charge for replacement containers (damaged, stolen or lost) as standard; this is becoming increasingly common across authorities in England, who are seeking additional ways to generate income and support service costs. Newcastle under Lyme does not charge for replacement containers for recycling, but does charge for replacement wheeled bins if they are lost or stolen (free of charge if damaged).

3.6 Commercial waste¹²

Six authorities offer a commercial waste residual collection (although in Lichfield and Tamworth, the collection only services Lichfield). Of those two also offer a comprehensive recyclate collection and a further two offer a more limited recyclate collection service. In addition Stoke-on-Trent will also be introducing a trade recycling service in April 2016. For Staffordshire Moorlands¹³ the financial gain is substantial and in four of the six authorities offering a commercial service, a profit is being generated even when considering disposal costs.

3.7 Bulky waste collections¹⁴

All charge for collection for disposal: £15 to £36 for around 3 items. In WRAPs bulky waste guidance they state an average charge of £25 per 2 items. In addition Beasley Associates holds a database of bulky waste charges across local authorities in England (updated January 2016) and the range for 3 items tends to be mid £20's to mid £30's, so some authorities are potentially at the cheaper end of the scale¹⁵. Staffordshire Moorlands and Newcastle under Lyme have partnered with a reuse organisation to deliver bulky waste collections for residents and it is a cost neutral service for the two authorities.

3.8 Bring site provision

The number of bring sites available differs across the authorities (not necessarily reflecting size in terms of population, or in terms of geographical size). It is understood that there has been some rationalisation of bring sites across the partnership. What is not known is how effectively the bring banks are being used, their success in terms of material diversion and the costs associated with them.

¹¹ Refer to Appendix 2, table A2.1 for detail on collection containers used by the different authorities.

¹² Refer to Appendix 2, table A2.2 for detail on commercial collections used by different authorities.

¹³ Staffordshire Moorlands also collect food and garden waste in their commercial collection service.

¹⁴ Refer to Appendix 2, table A2.3 for detail on bulky waste collection charges, income and cost.

¹⁵ It should be noted that South Staffordshire will charge £30 for 1-3 items from 1st April 2016.

4 Finance

4.1 Costs

Total cost of waste services per household ranges from £62.91 to £86.37 for the WCAs with Cannock Chase being the cheapest and Staffordshire Moorlands being the most expensive (refer to Table 5). Generally authorities benchmark well against APSE figures. This figure includes recharges, which vary significantly from 2% (Cannock Chase) of total expenditure to around 14% (Newcastle under Lyme); with the APSE benchmark of 6.24% as the average percentage of central establishment charges compared to total expenditure, all but Newcastle under Lyme and Staffordshire Moorland benchmark below that figure. In terms of true cost of service per household, excluding recharges, the range is from £61.39 (Cannock) as the cheapest to £76.31 as the most expensive Staffordshire Moorlands (which also has the best recycling rate). Cheapest authority is the smallest – Cannock - and has a fairly decent income from trade waste. The most expensive authority has the second best income from sale of recyclate and trade waste service (Staffordshire Moorlands). The authority generating the highest income from sale of recyclate and trade waste services (Newcastle under Lyme) is the second cheapest in terms of true service costs per household. Income is discussed in more detail in section 5.2

In terms of treatment/disposal costs the gate fees are amongst the lowest in the country (refer to Figure 2). In addition, the gain-share arrangements for treating third party waste are 70:30 in the Authorities compared to a national average of 50:50. However, now that the W2R Energy Recovery Facility is operational, the County may wish to explore a number of areas to deliver further efficiencies including, refinancing, insurance, capital contributions etc.

Figure 2: Overview of Gate Fees

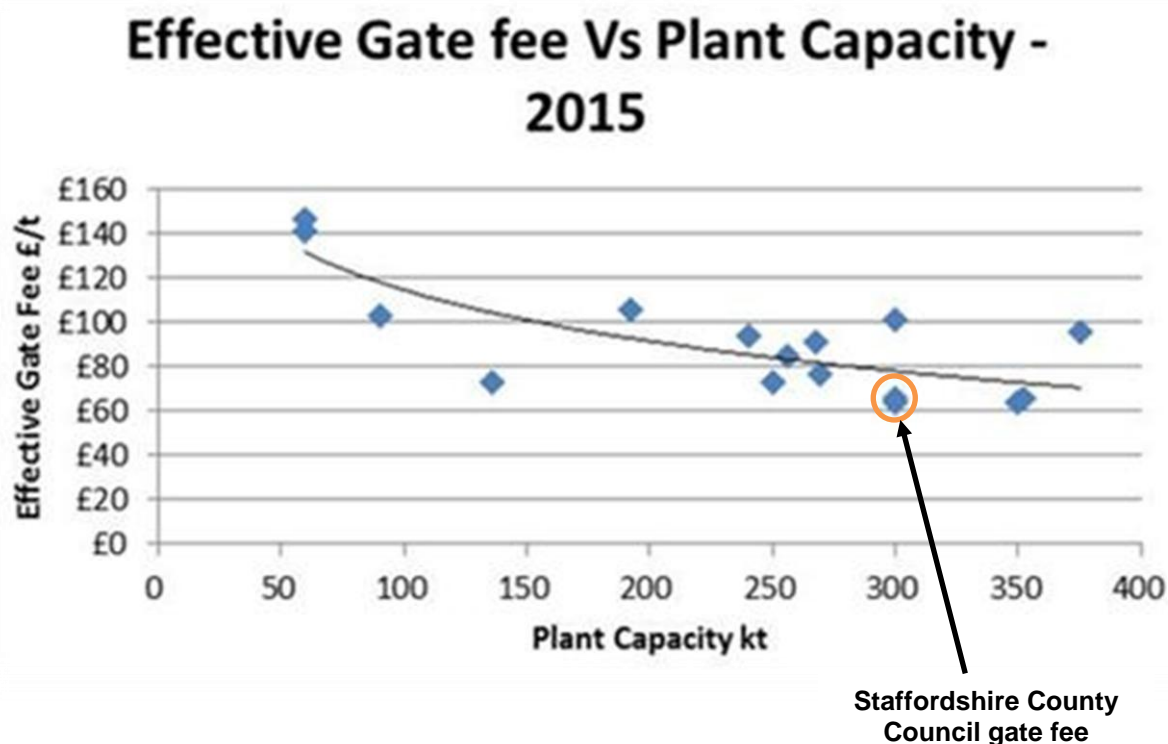


Table 5: 2014/15 baseline financial review; summary¹⁶

	Council	Number of households	Total cost of waste services (incl. recharges)	Total cost per household (incl. recharges)	APSE – Av. cost of collection service per household (incl.CEC)	True cost of waste services (no recharges)	True cost per household (no recharges)	True cost per household (no recharges) + waste disposal costs per household¹⁷
WCA	Cannock Chase	42,000	£2,642,249	£62.91	£65.35	£2,578,241	£61.39	£114.27
	East Staffordshire	49,390	£3,383,816	£68.51	£65.35	£3,201,727	£64.83	£117.71
	Lichfield and Tamworth	74,000	£4,797,601	£64.83	£65.35	£4,606,760	£62.25	£115.13
	Newcastle-under-Lyme	54,950	£4,051,069	£73.72	£65.35	£3,402,278	£61.92	£114.80
	South Staffordshire	46,030	£3,271,893	£71.08	£65.35	£3,093,115	£67.20	£120.08
	Stafford	56,950	£4,289,558	£75.32	£65.35	£4,043,987	£71.01	£123.89
	Staffordshire Moorlands	43,270	£3,737,348	£86.37	£65.35	£3,301,734	£76.31	£129.19
WDA	Staffordshire CC	366,590	£20,243,592	£55.22		£19,385,353	£52.88	n/a
Unitary	Stoke on Trent	107,900	£12,295,572	£113.95		£11,582,541		£107.35
Total Costs to tax payer		474,490	£58,712,698	£123.74		£55,195,736		£116.33

¹⁶ WCA costing includes gate fees, but does not include income of recycling credits (to avoid double counting) - WDA costing includes recycling credit expense. New contracts for 2015 are not included in this financial year 2014/15, such as joint MRF contract for processing of dry recycling materials (with a vastly different financial structure).

¹⁷ Based on average disposal costs of £52.88 rather than individual authority disposal costs

Once the Hanford contract comes up in 2020 there is the potential to have one incinerator serving all SWP councils excluding Stoke-on-Trent who will continue to use the Hanford facility, thereby directing all WCAs / UAs into Four Ashes EfW plant. The Hanford facility reverts to the ownership of Stoke-on-Trent City Council in March 2020. The Strategic way forward regarding this facility is currently being determined in conjunction with Staffordshire County

In terms of recyclate processing five of the authorities use Biffa at Aldridge. Gate fees vary depending on the manner in which material is presented, whether there is an income share element and whether haulage fees are included (refer to table 6).

Table 6: Processing Recyclate – gate fees

Authority	Facility (contract end date)	Price (£ per tonne)
Cannock Chase	Biffa MRF (2025)	£20.47 – income 25% of sorted output material (SOM) value
Staffordshire Moorlands	Pearce Recycling (2017/2020/2022/2025)	£27.13 (includes haulage, gate fee which is offset by income) – SMDC receives 100% of income
South Staffordshire	Biffa MRF (2022)	£20.47 – receive 25% of value of sorted output material (equates to £10.16 net gate fee)
East Staffordshire	Biffa MRF (2022/25)	£45.93 comingled / £22.07 paper (includes haulage). Income on 50% share
Newcastle under Lyme	Material currently sold to a range of end users via contract on 50/50 basis. From July all material will be sold directly by the authority, retaining 100% of material value – likely to be in region £700,000	
Stafford	Biffa MRF (2018)	Collection contractor owns material and pays gate fees
Lichfield & Tamworth	Biffa MRF (2022)	£29.72 - income on 50% share
Stoke on Trent	Regen, NI (2016) and DS Smith Birmingham (2016)	£63 and £40 respectively

4.2 Income generation

Recycling credits are paid to the WCAs by the WDA and current levels of payments can be seen in Table 7. It should be noted that payments are made for green waste at present but Staffordshire County Council and its constituent districts have agreed to reduce the IPR for the next two years from this April, down from 3% to 1%. The issue of savings made by WCAs in green or other waste collection and treatment need to be considered in the light of any additional costs that could be imposed on the WDA. Credit levels need to be reviewed and included within any overall cost saving to prevent cost shunting or profiteering.

Table 7: Recycling Credit Payments

Authority	Recycling Credit Payment
Cannock Chase	£912,840
Staffordshire Moorlands	£914,739
South Staffordshire	£1,181,250
East Staffordshire	£1,151,016
Newcastle under Lyme	£1,040,000 (£1,119,000 new service)
Stafford	£1,300,000
Lichfield & Tamworth	£1,899,300
Stoke on Trent	£780,000

In terms of other income, this ranges from £28,604 per annum for Stafford (as a fully outsourced service) to £712,288 for Newcastle under Lyme (refer to Appendix 3, table A3.1). Sale of dry recyclate brings the greatest income to Newcastle under Lyme, at £219,397 per annum (likely to rise to £700,000 per annum from July 2016). Trade waste is a positive service in terms of income, generating an income for four out of six

5 Phase 1: Potential Opportunities to Deliver Efficiencies

There are a range of opportunities to be considered, at both Partnership level, and also amongst cluster and individual authority level where efficiencies could be generated and these are considered in section 5.1 and 5.2.

It is fair to say that to date the SWP has been proactive in considering areas where efficiency savings can be realised. In fact a number (if not all) of the opportunities discussed below have been considered previously; this is not a reason to discount their potential or further potential but is worth acknowledging. Reasons for not progressing with some of the opportunities may no longer be valid or other factors may have come into play which override any previous reservations or conclusions drawn. In addition some areas that have been taken up in the past may still present further opportunities to make savings for the local tax payer. The purpose of this initial review is to take an independent view of what is still possible in relation to efficiency savings in the widest sense, drawing on examples and evidence from elsewhere.

5.1 Partnership opportunities to deliver efficiencies

Integrated collection and treatment

Considering the potential of forming a joint arrangement for both the collection and treatment of waste is an area that Local Partnerships has previously explored¹⁸ with five¹⁹ of the authorities in Staffordshire. It is generally considered that where responsibilities and also costs are divided amongst authorities acting individually, the decisions made regarding services and contracts may not be the most economically beneficial or provide the best value for money. Clearly in coming together to deliver waste services economies of scale have a big part to play but also where a partnership has responsibility for collection and disposal services then decisions regarding infrastructure (including location and scale) are likely to be made with whole system costs in mind, providing the opportunity to generate efficiencies and performance improvements.

When the idea of forming partnership arrangements was originally mooted in the early to mid-2000's it was estimated that joint working could deliver savings of 10-15% depending on the number of waste collection authorities involved and their willingness to bring together operational arrangements. A further 5% could be saved potentially by bringing together both collection and disposal activities. In addition, if the joint working involves bringing together 'back office functions', further savings of at least 5% can be expected in administrative costs. It should be noted that some savings may take longer to return than others and all are not necessarily deliverable within the early stages of the partnership.

In addition to the potential financial savings, other benefits of closer joint working were identified, including: more effective service delivery in terms of higher recycling rates and successful minimisation and prevention initiatives; improved relationships between authorities and with the private sector, based on reduced risk and the additional certainty that robust joint arrangements give to the waste industry; and, environmental benefits such as reduced carbon emissions from more efficient transport arrangements.

¹⁸ Local Partnerships, Outline Business Case: North Staffordshire Joint Collection and Treatment Partnership, July 2012.

¹⁹ These authorities were: Staffordshire Moorlands District Council; Stoke on Trent City Council; Newcastle under Lyme Borough Council; Stafford Borough Council; and, Staffordshire County Council.

Many of the benefits identified in the review carried out by Local Partnerships still stand. Including for example: infrastructure streamlining and rationalisation: reduced haulage and associated transport costs; further collection route optimisation; ongoing procurement savings; reduced operational management costs and staffing cost; joint sale of recyclate; and, 'whole system' benefits that can only be fully realised by bringing together collection and disposal responsibilities.

In addition to the efficiencies which can be achieved, other advantages to joint working at this level include the opportunity for partners to harmonise best practice across their services, making adjustments where practicable and sharing best practice to a greater extent. In addition coming together as a partnership and delivering the service 'as one' may make the addition of a particular material or change in a service more affordable and appropriate than when acting alone, such as separate food waste collection. New ways of working can be explored which can deliver further savings; although this does not mean that the services have to be totally aligned it should be noted that the closer they are usually enables potential efficiency savings to be maximised.

The challenges were also detailed in the initial review, and at the time were considered too onerous to take the proposal further. Some of these were generic to partnerships considering closer joint working whilst others were more specifically focused on the potential partners. These included: expectation management, specifically in terms of the level of financial savings to be achieved by all partners and the differing scale depending on individual baselines and cost sharing agreements developed; how the infrastructure optimisation will be achieved and over what timescales; being clear and agreeing the future policy direction for all partners; the potential identification of a lead/administering authority and agreement of mechanisms to share both the risks and opportunities; local sovereignty and political alignment; and the impact on existing partnership arrangements.

Clearly there is a cost associated in developing an integrated solution in relation to project management, specialist support required in relation to technical modelling, legal advice, procurement support, and there will be set up costs. The value varies considerably depending on the number of partners who finally come together, the work required to realise an agreement that all partners can sign up to, the availability of expertise across the partners and the need to purchase external support, and the changes required to existing services. This can range from £50 - £150k per partner to fund the process (excluding any infrastructure/operational costs as a result of changes to the service) and clearly this needs to be a consideration when building the business case, although it would be expected that annual savings (or ongoing avoided costs whilst keeping services running) would be around 10% of current costs.

Governance does not have to be onerous when setting up a partnership arrangement like this. Even when the power to develop a formalised Joint Waste Authority was in place no partnership took the opportunity to take this further, largely as a consequence of a lack of precepting powers and the need to agree funding structures with constituent authorities; it was a case of a lot more pain than gain in formulating governance arrangements at this level. Those partnerships who have successfully implemented a joint model between WCAs and WDA, such as Somerset and Dorset, have chosen to set up a legal body to run all waste/recycling affairs across the partners, including centralising councils' budget.

More recently there have been examples where authorities have taken the next step in terms of extending their joint arrangements from treatment and disposal. The South London Waste Partnership was originally formed to deliver a joint procurement to deliver a waste treatment solution for their residual waste. Having done so, they have broadened the remit of their Joint Waste Board to procure a shared services solution. They have completed the Competitive Dialogue process and have short-listed to three bidders. They are anticipating significant savings from delivering a shared service, potentially as much as 30% of the participating Authorities existing budgets.

In revisiting this joint working arrangement there does need to be an acknowledgement that the degree of savings will differ depending on the efficiencies gained by authorities to date and the degree of harmonisation that can be achieved. The same vision needs to be shared in terms of performance expectations and areas which have been politically unpalatable in the past need to be address and a common position found.

Integrated working across clusters of WCA

If the appetite for fully integrating disposal and collection is not there, then the next stage is to support cluster working across WCAs. There is a history of this in Staffordshire with positive success in terms of Lichfield and Tamworth, generating significant savings through joint service delivery and increases in performance. The joint relationship was the outcome of an independent review in 2008 which looked at efficiencies amongst cluster within the SWP. The partnership operates as a Joint Administrative Arrangement (as per Section 101 of the Local Government Act 1972). There are no contractual obligations between the authorities; in essence each authority has simply discharged its responsibility for collection to the other authority. There is a clear constitution in place which governs the joint arrangements and is effectively a Terms of Reference of how the joint delivery operates. A Joint Committee is in place and is responsible for ratifying all decisions in relation to the budget and management of the arrangement.

The approach adopted by Lichfield and Tamworth is not unique and an increasing number of cluster arrangements have been developed across England such as East Sussex Collection Partnership, East Kent and also Mid Kent. All have achieved savings and have maintained or improved performances. Savings have varied across the partners and in some cases the priority has been avoided future costs.

Other examples of arrangements at district/borough level include Stafford Borough Council sharing all back office functions (finance, audit, IT, HR) with Cannock Chase District Council, and Staffordshire Moorlands creating an alliance with High Peak Borough Council (HPBC). This partnership has resulted in all Officer based posts being shared from the CEO to the support staff and even some frontline staff (waste collection being the one exception) and further includes CRM and back office IT systems. This is based on an Inter Authority Agreement. In addition, once the contracted collected service at High Peak BC comes to an end in 2017 there is the possibility of aligning services with Staffordshire Moorlands.

Teckal Companies

As already mentioned there is much discussion about bringing services back in-house compared to outsourcing services and the pros and cons of each approach. One other area for consideration is the role of Teckal companies. They have the potential to bring private sector benefits, whilst retaining local government control, having reduced procurement costs and bringing recycling profits back into the company. There are a number of examples of this approach in operation, for example Cheshire East for household and commercial waste collections, North Yorkshire & the City of York for recyclables and Liverpool combining all its waste services; their experiences will be vital in determining the future role of this model. The question of whether a Teckal Company will be able to take advantage of the current legal position whereby a Local Authority does not have to charge VAT for commercial collection (within specific parameters) is one that would need further consideration and a definitive legal position would need to be sought.

5.2 Standalone Opportunities for efficiencies

Changing Organic Service

Mixed food and garden waste: Generally the effectiveness of a mixed garden and food collection service in capturing significant proportion of the food waste is low. Whilst accepting that variations exist in terms of how urban an authority is, comparing yield data between authorities providing a mixed garden and food collection, and a garden only, there is little difference. WRAP have estimated that a mixed garden and food waste collection will only capture up to 20% of all food waste. In addition it is estimated that just less than 10% of mixed food and garden waste presented, is actually food waste. However once mixed the treatment that is required is much more expensive than if it was just garden waste. Clearly thought needs to be given as to whether mixing these streams, for limited capture of food waste, is worth the additional cost required. It is recommended that, contract allowing, the remaining authorities offering mixed food and garden collection look to review this service and consider other options, such as separate food waste collection or no food waste collection. Clearly if food is withdrawn it will have a potential impact upon recycling rate, but bearing in mind the relatively low capture rate of the food element it is expected that this will be marginal. Considerations also have to be given to additional costs associated with disposal rather than recycling and a whole system view taken of changing this element of the service.

Charging for garden waste collection: Garden waste collection is a non-statutory requirement and as such can be a charged for service. This tends to be a politically challenging decision at the local level but one that increasing number of authorities are making. The question of charging for garden waste has been much mooted across Staffordshire but there has been no political appetite to make these changes. However as a means to deliver a cost neutral service or bring in additional income, garden waste charges have proved to be a viable option.

In terms of performance, in general when a charge is applied there is a reduction in participation – on average participation is around 40%. However the 40% that do opt into the service and pay for it, are committed and tend to use it to the maximum thereby the tonnage does not reduce by the same proportion. Charges on average range from around £20 to £40 per bin per year. Depending on the tonnage collected and cost of delivering the service, a charged for garden waste service tends to cover its own costs in the least, although authorities do report making a net gain from the subscriptions. There are plenty of examples that Local Partnership have generated on where efficiencies have been made through charging for garden waste. For example, Ryedale replaced its free service on 1st June 2014 and 47% of residents opted-in; it was found that 70% of material was still coming through, and subscriptions to the service generated £250k. Richmondshire have had similar success with their subscription scheme, with a current take up of 42% and income of £171K. Pendle has introduced a subscribed service for garden waste collections of £25 per bin per annum resulting in an income of £200,000 and resource savings equating to £28,000. Similarly, Wirral has introduced a £35 charge for garden waste collection (£30 for online subscriptions and £20 for each additional bin collected) resulting in £1.1 million NET saving compared to operating a free garden waste scheme available to all. HWRC can experience increases in garden waste as a result of charging schemes so this needs to be considered if a whole systems approach to costs and efficiencies is being adopted. For some authorities the decision to charge for garden waste collection came as a result of an end to recycling credit payments being made with respect to garden waste. For others once the charge was introduced this saw an end to the existing credit payments. The idea in principle being that with the introduction of charges, this aspect of the service is self-funding.

If all authorities in SWP separate their green waste from the food waste then this opens the opportunity to introduce a charged for garden collection across the SWP. This will bring about many advantages in terms of joint communications and a single unified message and joint treatment options for the green waste. Although there will be an impact on recycling rate (and this is most pressing for those who are closer to 50% than 55% and also those for whom the organic fraction is responsible for more than half

the recycling rate), if there is an appetite to implement a separate food waste collection then this could offset any reduction achieved.

Exploring the potential to for joint procurement of food waste treatment: Newcastle, have recently tendered for food waste treatment and received a number of gate fee prices in the region of £10 - £15 with one price coming in lower. Therefore the potential exists for other authorities to explore joint procurement.

Separate food waste collections: Newcastle already collect food separately but it is likely to be a consideration for others specifically in combination with a reduction of residual waste frequency or capacity. This will have a positive impact on recycling rate.

Joint procurement

It is assumed that all authorities are using a recognised framework of some sort for the purchase of bins, however it is still worth considering joint procurement to create the volumes required to generate even more efficiencies and to be open about costs to ensure that the best possible deals are being generated for the local tax payer. In terms of synergies, 5 of the authorities currently use blue 240l wheeled bins for their recyclate collection, all use 240L wheeled bins for organic collection, and a range of bin sizes are in use across the authorities for residual waste. Wheelie bins have a life of around 10 – 15 years on average and there are annual replacements required. Although 3 currently have a contracted out service, it cannot be assumed that responsibility for bin replacement/purchasing will be with the contractor; in Stafford the Council have responsibility for purchasing the bins and delivering them and in Cannock Chase, responsibility for waste container stock will remain with the council with deliveries being undertaken by the contractor post April 2016.

With vehicles there is evidence that economies of scale can result in significant savings. For example, four partner authorities from the York and North Yorkshire Waste Partnership took part in a joint procurement exercise for waste vehicles which saw savings of £264,000 across the authorities. Synergies do exist across the authorities in terms of collection systems in place and with 5 authorities providing an in-house collection and with 4 of those 5 using wheelie bins to collect the material there must be some opportunity to jointly procure and make savings from economies of scale. It is not clear as to the schedule for replacement vehicles (with lifespan of around 7 to 10 years) and this needs to be established in the first instance.

HWRC rationalisation

There are 14 HWRCs provided by Staffordshire County Council, and 2 provided by Stoke-on-Trent. In addition Staffordshire County Council SCC also share a HWRC with Warwickshire County Council, used by Tamworth residents It is assumed that there has already been a degree of rationalisation of this service and consideration of joint provision between Staffordshire County Council and Stoke on Trent City Council. In terms of taking this to the next step, integrating the contracts makes a lot of sense to ensure a consistent service is in place across the SWP. When looking at joint provision it would be appropriate to undertake a review of the use of the facilities with the potential to further rationalise what is currently available if facilities are being underused. Carried out jointly this will avoid the situation where the closure of one facility, or reduced operating hours, has a negative bearing on another provided by a different WDA. In other authorities reviewing operational costs associated with running HWRCs has enabled decisions to be made which have improved the overall cost and efficiency of these sites. For example, the GMWDA reviewed its 25 HWRCs, and this resulted in the closure of 6 sites, and construction of 1 new purpose built facility, saving £600k per annum in operating costs. North Yorkshire County Council has introduced hardcore and rubble charges which will save £300k pa, and large vehicle restrictions and vehicle registration has reduced usage of HWRCs by 25%; this equates to a tonnage saving in the region of 25,000 tonnes, worth £2.5M pa. Rotherham has taken a very

comprehensive approach to its HWRCs and introduced a raft of changes to its sites. This includes: reduced operational hours; closure of each site for a day a week; reduction in the number of permitted visits from 12 to 6 per annum. They allow one-off discretionary visits only in exceptional circumstances; banning all sign written vehicles or vehicles registered to a business from the site; and, allowing only small quantities of rubble (2/3 bags in boot of car) onto the site. As part of this negotiation and to support obtaining a reduction on the management fee the period of the contract was extended by a term of three years to allow partner to spread capital costs over a longer contract term. Savings in the region of £125k have been achieved by these measures. Following a similar exercise undertaken by partner Authorities Barnsley and Rotherham, Doncaster Council with effect from 6th January 2014 varied the HWRC contract with FCC and reduced the operating hours. There was a great deal of work undertaken to establish the most effective way of reducing hours whilst ensuring minimal impact on service users; traffic counters, skip movements and tonnage data was used. Savings achieved through reduced operating hours are expected to be £100,000 pa.

Other areas that could be considered to reduce costs for operation of HWRCs is the potential to introduce charges for non-household waste or introduce a permitting system. Staffordshire County Council are poised to introduce a charging structure, but again if both Staffordshire County Council and Stoke on Trent City Council were to adopt this policy at the same time then communications and enforcement can collectively be delivered and a common position adopted.

Frequency of collection

All authorities are on AWC collection for residual. An area that is being explored by some authorities is a move to 3 or 4 weekly collection of this element of the service. Ensuring a comprehensive collection service for all materials is essential, and this needs to be considered in the context of withdrawal of mixed food and garden waste collection or the introduction of a separate food waste service. There are examples coming forward now that detail the success of a reduced frequency including Rochdale, who recently introduced a 3 weekly collection of residual waste and at the same time introduced food and garden waste to all households (it was previously available to only half the borough). Early recycling figures are encouraging; since the roll out in October 2015 recycling rates in December 2015 reached 49.4%, compared to 32.6% in December the previous year. Bury has had its scheme in place for longer, having implemented 3 weekly collections in October 2014 for residual whilst dry recycle; food and garden waste collection remained on a 2 weekly cycle. Main drivers were environmental and financial; to achieve 60% recycling by 2016 and secure savings in excess of £800,000 through reduced disposal costs. In just 11 months there has been a significant impact on both tonnage of recycle and food and garden waste collected, with just over 9% increase in tonnage in each of the comingled, paper and card, and food and garden bins, and a reduction in residual waste bins by 16.75%. The recycling rate²⁰ is reported to be on average 54.18% (with a peak of 59.69% reached in July); this compares very favourably with a recycling rate of 47% achieved in 2013/14 and the authority is on track to reach the target of £860,000 avoided costs as a result of reduced disposal²¹.

Rationalisation of bring sites

With over 220 bring sites across the authorities, although there has been rationalisation already by a number of authorities in the review, the potential to rationalise these further still is worth exploring through joint delivery or removal of sites through poor use. It is not clear how much the bring sites contribute to recycling rates or how much they cost (both in-house and contract) so it cannot be

²⁰ Please note this is the rate for collected bin waste only, rather than the NI192 rate.

²¹ More information on this case study can be found in Local Partnerships North West Efficiency review 2016.

estimated what the impact of removal of facilities will have. Recently Wyre decided to remove all bring sites across the borough prior to retendering, due to misuse and anti-social behaviour, and this resulted in significant financial savings. Whilst recycling diversion rates were reduced by approximately 0.5%, the savings realised for street cleansing and the contact Centre teams in no longer having to service the bring sites and handle associated complaints, far outweighed the percentage reduction.

The scope for jointly contracting or jointly delivering bring sites should also be a consideration as there clearly is overlap across the authorities.

Reducing residual capacity

Stimulating behaviour change and maximising participation in recycling can be achieved by a number of different means, including reducing the available residual capacity. From the spreadsheets provided it is clear that a range of different bin sizes are in use for residual waste collection, but it is not clear whether all authorities have adopted smaller than 240L as standard. Other authorities are going down this route. For example, Bolton has approved plans to roll out a programme aimed at restricting residual capacity and as a result generate savings of £1,250,000 per year. From June 2016 to November 2016 all 240L grey bins, used to collect residual waste, will be exchanged for 140L bins. In preparation a borough wide engagement campaign is underway to door knock all households (minimum 40% contact rate) and increase the number of residents recycling. Results are already being seen ahead of the changes, with the tonnage of the grey residual bin decreasing and recycling increasing, therefore there is confidence that the predicted savings will be achieved.

Reducing bin sizes is generally a more palatable means of reducing weekly capacity.

Bulky collections

There is a balance to be achieved between wanting to decrease the number of calls for bulky waste collections for disposal and increase reuse of furniture and other relevant bulky items. Placing a charge on collection does have a direct impact on calls made for collection, but the cost should not be set so high to generate an increase in fly-tipping. Working in a partnership with a third sector reuse organisation can ensure the service is provide on a cost neutral basis; they accept material free of charge that can be readily reused and apply a charge where it is unlikely to be suitable for reuse. Two authorities have this arrangement in place; there is the potential to roll this approach out across the other authorities (particularly those providing an in-house service in the first instance and then contract allowing for the other authorities).

6 Phase 2: Post Workshop Next Steps and Recommendations

After LP provided an outline the details of the report at the Staffordshire Partnership Meeting on 29th February 2016, the Staffordshire Waste Partnership decided that the next phase (2) of LP work should be to explore efficiencies in the disposal contracts. A further request was that the financial data of DSO operations includes centre costs (recharges).

6.1 Next Steps

Since the 29 February meeting LP has explored a number of opportunities to deliver savings for the Staffordshire tax-payers (Phase 2) as follows:

- Firstly, to have an understanding of how existing waste flows are managed to the Hanford Energy and W2R energy from waste treatment facilities and as a result produce a short overview of the contract obligations, current waste flows and where possible make recommendations on how the flow of waste from the Staffordshire authorities may be better managed to produce savings for the Staffordshire tax-payer.
- Benchmark the costs of the management of the contract by the SCC with a small number of similar authorities with an EfW facility.
- LP to identify what additional support is available for the Staffordshire Waste Partnership to explore further operational efficiencies of the existing W2R contract.
- Confirm with the authorities that have DSO charges that these are included in Phase 1 of this report.

6.1.1 Current waste flows to Four Ashes / W2R and Hanford

Hanford EfW

- Contract in place since 1995, Stoke City Council lead authority.
- Treatment capacity – 170,000tonnes per annum
- SCC GMT of treatment capacity – 90,000tpa
- SCC currently deliver waste from predefined “primary and secondary catchments” (Staffordshire Moorlands, Newcastle-under-Lyme and Northern half of Stafford Borough) this is considered Contract Waste
- To meet 90,000tpa GMT, SCC deliver circa 25,000tonnes of residual waste from ANSA

Note: because of the waste volumes involved, a continued reliance by the Staffordshire Authorities on the Hanford plant would be expected to continue beyond 2020.

Four Ashes / W2R EfW

- PFI Funded facility, commissioned in 2013
- Treatment capacity of 300,000tonnes per annum

- More complex mechanism/Contract than Hanford
- 4 partners deliver to plant:
 - Staffordshire County Council;
 - Sandwell Metropolitan Borough Council;
 - Walsall Metropolitan Borough Council; and
 - Warwickshire County Council
- Each partner has a “base case” tonnage that was agreed before Services Commencement. Base Case tonnage used to determine “default allocation” proportion of waste delivered to the plant.
- Default Allocations as follows:
 - SCC 47%
 - SMBC 19%
 - WMBC 21%
 - WCC 13%
- Each partner also has a minimum/maximum tonnage allowance “band”. Details of min/max can be seen in tables below.
- Every 5 years, default allocation recalculated based on average annual tonnage inputs from previous 5 years. Therefore, if average annual tonnage of any partner increases or decreases from base case, default allocation will increase/decrease accordingly.
- Substantial revenue available through Contract, including:
 - PFI Credit Payments;
 - Electricity Revenues;
 - Third Party Waste;
 - Metals recycling income
- All “fixed” revenue streams based on default allocation, therefore increase or decrease in default allocation could result in decrease or increase in revenue.

Key activities of Four Ashes / W2R

- Important to ensure transport efficiency, directing WCAs to best location.
- However, waste flows are managed by SCC to maximise revenue generating opportunities that benefit the tax payer, where possible.
- Inputs are also managed around shutdown periods and peak periods to ensure plant availability/efficiency is maximised.
- Planning and modelling is also carried out through the year, ensuring minimal disruption/adverse impact on WCAs.
- W2R graphs indicate SCC are delivering lower tonnages in their respective allowance band than other partners, which will have an impact on revenue brought in to Staffordshire and impact Staffordshire Tax Payers when rebasing default allocation
- Bringing additional waste into W2R will improve average annual inputs for rebasing in year 5 of the contract, therefore mitigating potential losses associated with reduced inputs, and by association, reduced revenue share for Staffordshire tax payers. Note: options for this additional tonnage are currently being considered, which include deliveries from Staffordshire Moorlands, bulked and hauled from Leek WTS, or Stafford BC waste, details still to be confirmed.
- Any waste diverted from Hanford will be back filled by third party waste in order to maintain GMT.
- For clarity, this process is about cost avoidance, not generating savings. As highlighted above, the rebasing process could see a reduction of approximately £1.3million in revenue (between years 5 and 10) from the W2R contract, if waste flows are not managed efficiently and effectively, impacting on disposal costs and ultimately, Staffordshire tax payers.

- Partners are also looking to maximise their inputs into W2R and are close to the top of their input allowance “band” (see graphs below), thus potentially increasing their revenue share during the rebasing process. Therefore, maximising SCC inputs will again mitigate potential losses in revenue share against increased partner inputs.
- Graphs provided to help demonstrate inputs and waste flows.
- Planning permission granted for up to 340,000tpa at W2R plant, increasing maximum tonnage limits, but same principles apply (i.e. other partners putting in higher tonnages within their allowance than SCC respectively).

Figure 3: W2R Tonnage Input Breakdown by Partners and Districts for Contract Year 2015/16 (YTD Actual Tonnages)

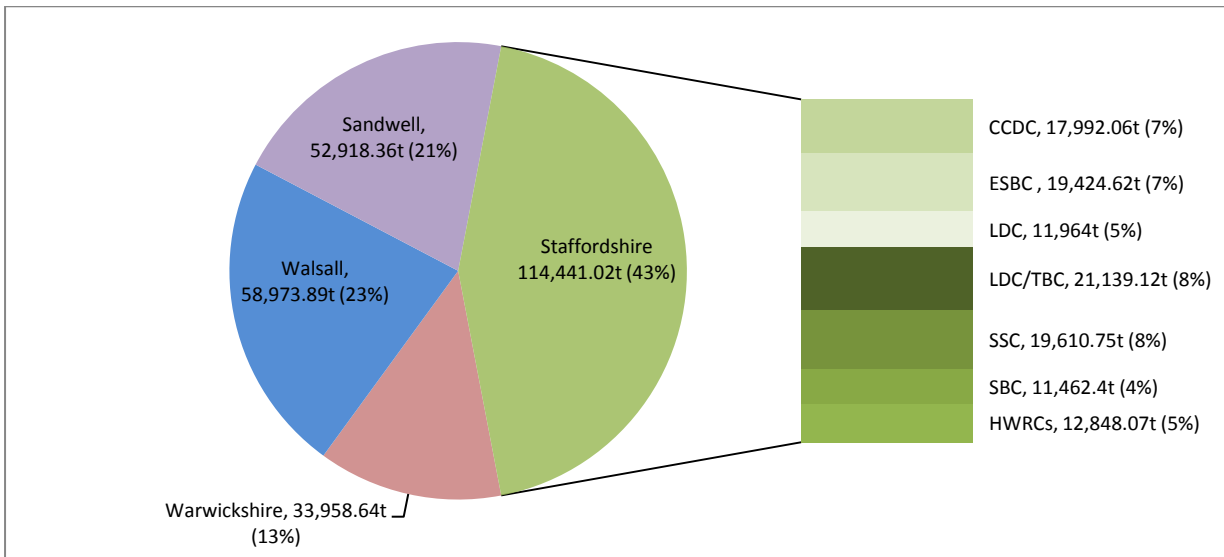


Figure 4: W2R Tonnage Input Breakdown based on Projected 2016/17 Tonnages

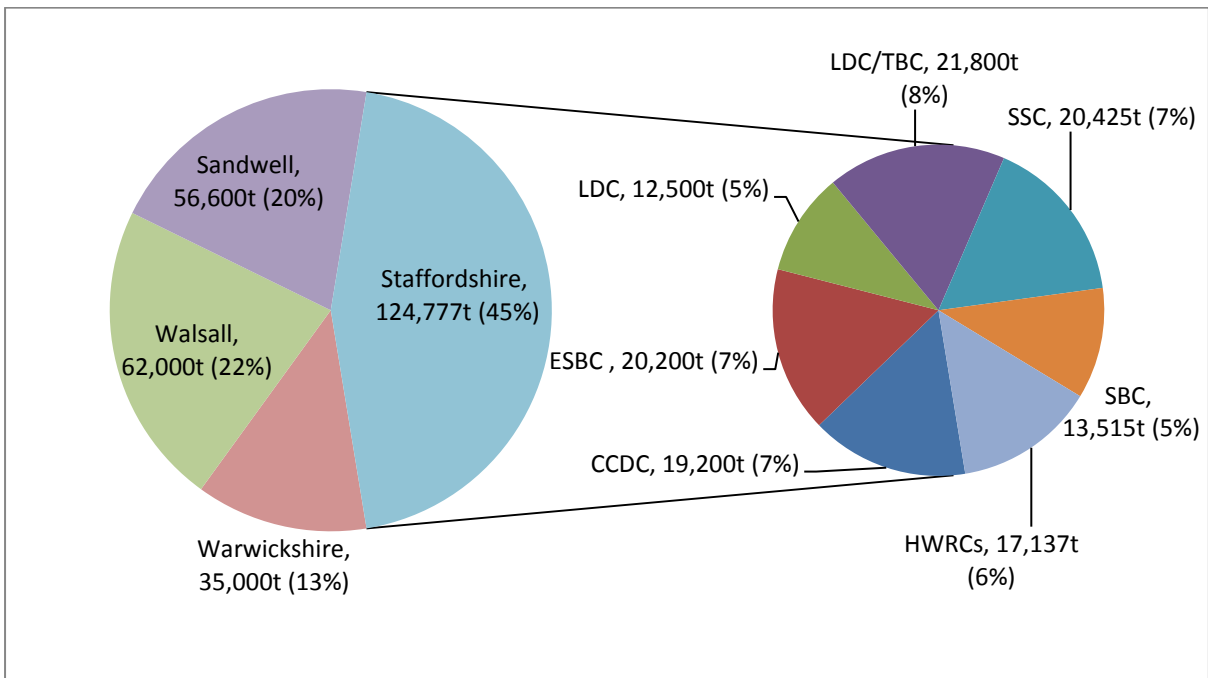


Figure 5: Current Default Allocation % Share based on the Contract Base Case

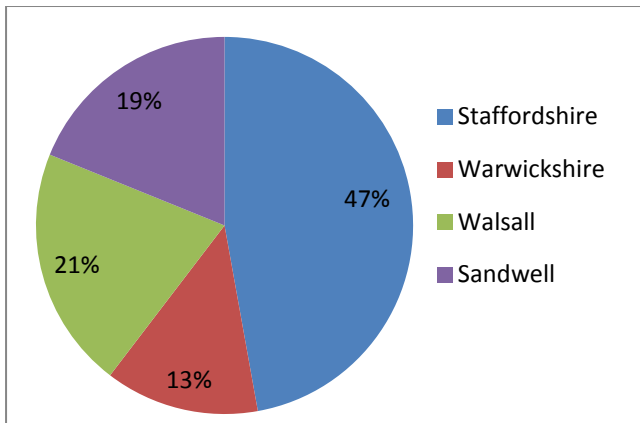


Figure 6: Projected Default Allocation % Share following 5 Year Allocation review based on Current Tonnages

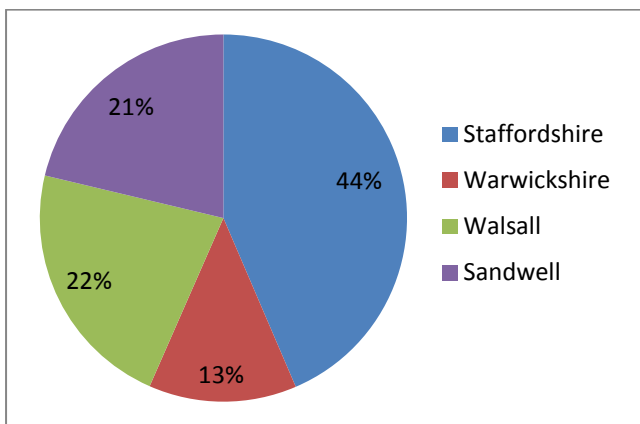


Figure 7: Projected Default Allocation % Share following 5 Year Allocation Review with SBC Tonnages Included Going Forward

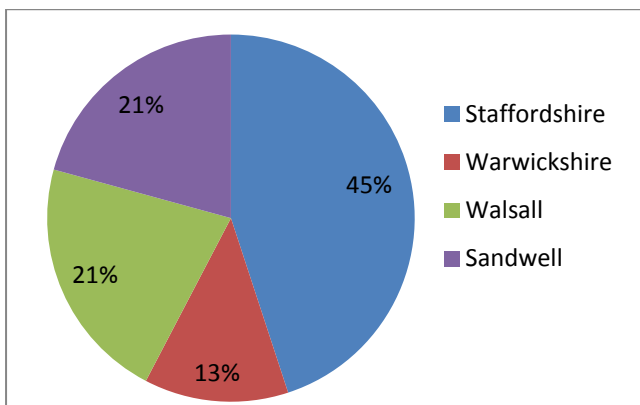


Figure 8: W2R Maximum and Minimum input tonnage allowance for all Partners compared to planned 2015/16 Contract Year Tonnages

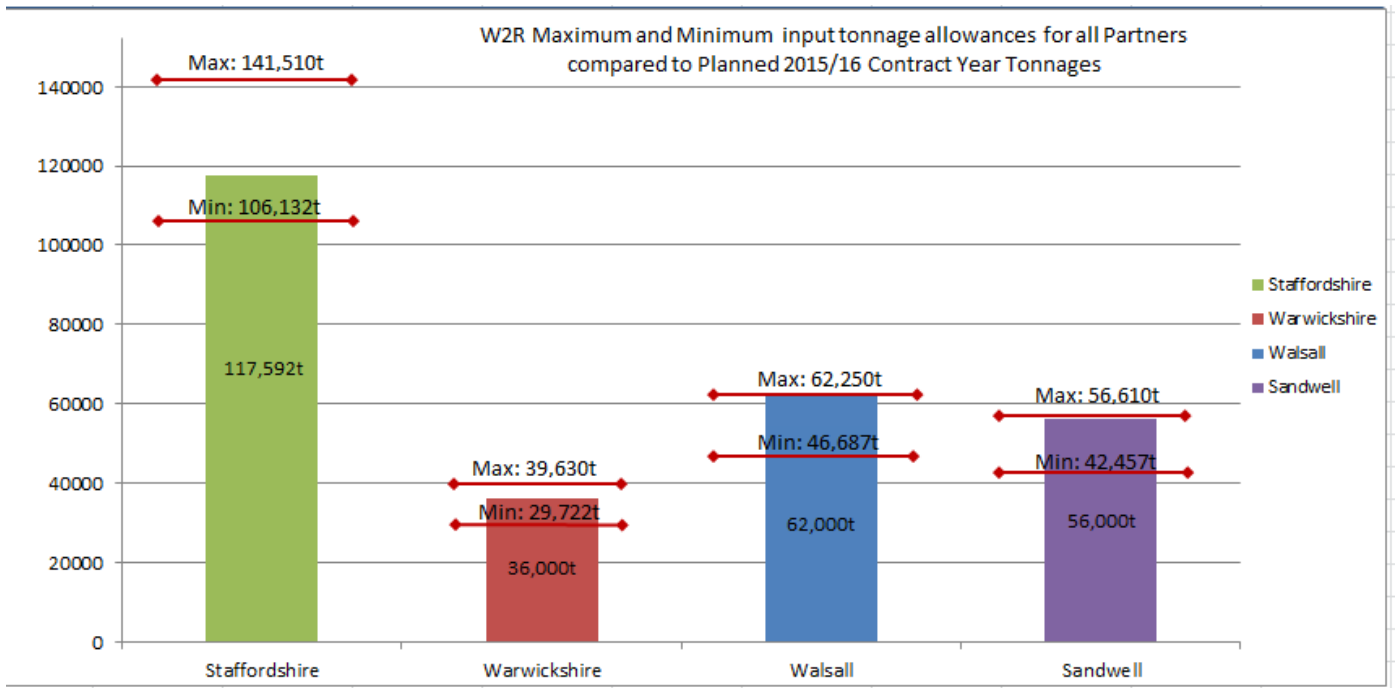


Figure 10: Hanford Current YTD Tonnage Inputs

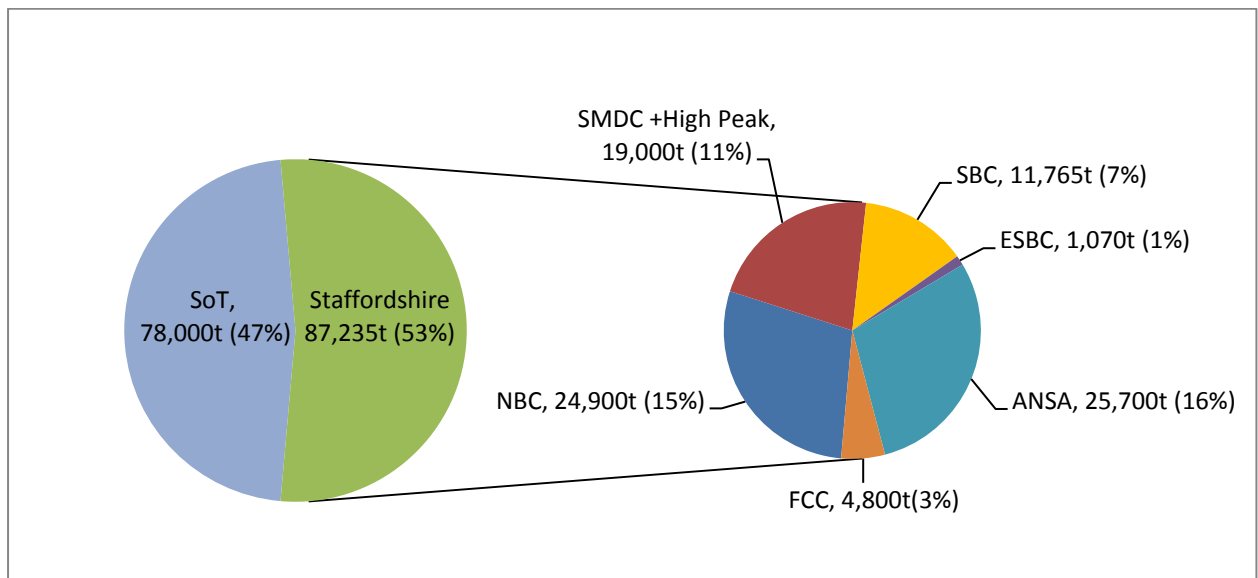
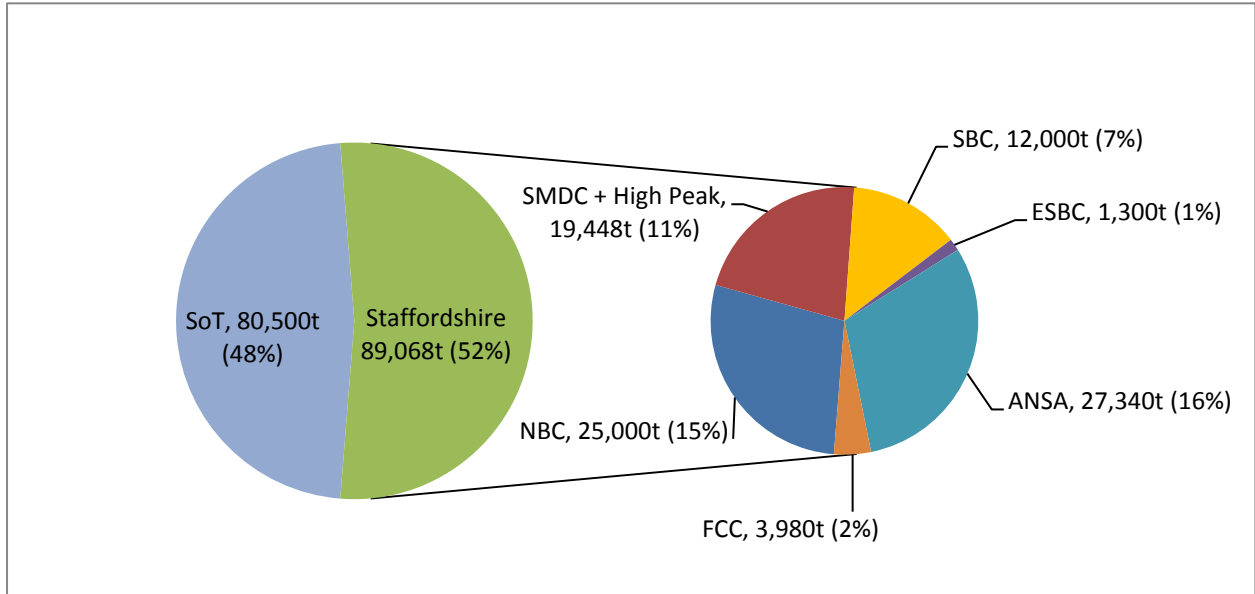


Figure 11: Hanford Projected 2016/17 Contract Tonnage Inputs



6.1.2 Benchmarking of Disposal Authority Staffing Costs

The County Council manages the disposal of the collection authorities' residual waste by managing the disposal contracts for the Four Ashes / W2R Energy from Waste plant with Veolia, assisting Stoke on Trent City Council with disposal activities at the Hanford Energy from Waste plant, managing the contract with FCC to operate the HWRCs, as well as other disposal related activities.

Appendix 4 contains a table, so a comparison can be made between the central costs (staff) to manage the Staffordshire disposal contracts with a very small number of other disposal authorities operating similar sized contracts. The number of authorities who agreed to take part in the benchmarking exercise is small as there was a reluctance to participate, viewing these costs as private and confidential. One authority stated that they do not wish staffing costs to be taken out of context, with one stating 'that no two contracts can ever be the same'. This also needs to be taken into account, as the Four Ashes / W2R contract is unusually complex in dealing with waste flows from so many authorities, including a number outside the County.

Since 2011, the County Council has reduced its staffing costs by £55,000 p.a. (1 x 50% of a Grade 6 post = £10,000, 1 x 50% of a Grade 9 post = £15,000, and 1 x 100% of a Grade 9 post = £30,000).

6.1.3 Additional support

LP has approached the Defra led Waste Implementation Delivery Programme (WIDP) to secure additional support to review the existing W2R contract. Defra has agreed to carry out a review of the project in May or June this year if this is acceptable to all parties. It will examine both the governance and the running of the contract. LP has stressed that the Staffordshire Waste wished to explore the commercial opportunities available and WIDP has agreed to ensure commercial expertise is contained within the review team. If this review is to take place in the forthcoming months it will be at no cost to the Staffordshire Waste Partnership apart from the time of members, officers and key personal in Veolia to take part in the review.

Further, the Waste Resources and Advisory Programme (WRAP) have been undertaking work on behalf of the Resources Minister and DEFRA to look at how greater consistency in collections can be

achieved, help boost recycling rates, and reduce costs. This project is not just about the way in which materials are collected, indeed WRAP accept that one size does not fit all, but looks at what is collected as a starting point, including food waste. Specifically for Local Authorities, the following points need to be considered -

- Opportunities for local authorities to work across boundaries and save money on procurement,
- Outputs of collection, cost modelling,
- Collecting Food Waste separately (critical for the UK to reach its statutory recycling targets),
- Increasing (or harmonising) the range of dry recyclables and improving capture of materials through existing schemes,
- Improving material quality.

Staffordshire has contributed to the scoping work undertaken by WRAP so far, and they are now looking for volunteer authorities to further test the business model, and become early adopters. This would provide free support from WRAP to look at our systems, and consider how consistency can be achieved, with cost saving. The project would also look at current funding between the two tier authorities. Preliminary talks have already taken place with WRAP, with a view to taking this forward in Staffordshire, and early indications are that Staffordshire would be a good case study for DEFRA.

The task to include all centre costs in DSO operations is concluded, that's to the welcome assistance of those authorities, and Table 5 in Phase 1 of this report has been updated accordingly.

Although there was no stated interest made at the meeting on the 29 February 2016, LP has developed a simple spreadsheet for the Staffordshire Waste Partnership on new models of procurement and has added this to the document as Appendix 5 in case this may be of interest at a later date.

6.2 Recommendations

- To build and encourage transparency between the Disposal Authority, Collection Authorities and Unitary Authority, Staffordshire Waste Partnership could present an annual report to the JWMB using a formal mechanism to detail information from all councils to provide continuous modelling of tonnage movements and financial data. In particular, it would be of benefit for the WDA / UA to share cost avoidance exercises that help maintain the cheap disposal costs, and reduce implications for WCA partners. This will help all councils with their MTFS preparations and should mitigate against any cost shunting.
- If adopted, to use this reporting mechanism to review existing financial incentives e.g. recycling credits, to establish the most cost effective means to deliver waste services for the Staffordshire rate payer.
- For Staffordshire Waste Partnership to agree a review of the existing Four Ashes / W2R contract to be undertaken by Defra Waste Implementation Programme, to begin in May/June 2016, free of charge. The findings would be released to Staffordshire Waste Partnership and key learnings could be used to assist the upcoming re-procurement of the Hanford contract.
- That the Staffordshire Waste Partnership express formal interest in receiving support from DEFRA's WRAP led consistency initiative. If this is accepted, then the partnership confirm the specific areas of work they wish to take part in.

Produced by John Enright & Dr Jane Beasley

Contact details

John Enright, Project Director

Local Partnerships, Local Government House, Smith Square, London, SW1P 3HZ

Tel: 07824371720

Email: john.enright@local.gov.uk

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7 Appendix 1: WRAP benchmark comparisons Kerbside dry recycling 2013/14

Key



Authority is in bottom
25% of LAs.



Authority is in bottom
50% of LAs



Authority is in top
50% of LAs



Authority is in top
25% of LAs

Category	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
Yield (Kg/hh/yr)	Cannock Chase	107.9	40.0	13.1	67.9	17.8	7.0	n/a	246.6
	East Staffordshire	40.6	48.1	15.7	81.6	21.4	8.8	n/a	207.4
	Lichfield	111.9	41.4	13.6	70.4	18.4	7.3	n/a	255.6
	Newcastle under Lyme	51.3	24.8	11.3	45.1	13.7	n/a	0.8	146.3
	South Staffordshire	105.4	39.0	12.8	66.3	17.3	6.8	n/a	240.8
	Stafford	38.7	50.7	16.5	86.1	22.6	9.2	n/a	214.6

²² To calculate yield tonnages re taken from Q10 (kerbside) of WasteDataFlow. Please note that where an authority collects comingled estimates are made of the proportion of each material in the mix is applied to the tonnage. Therefore the effect of splitting out this tonnage on the individual material yields is quite significant and it should be noted that these yields are estimates, particularly when comparing to authorities who are collecting material separately and are reporting actual tonnage. In addition contamination has not been factored in to these yield estimates.

Category	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
How you compare against other UK Authorities	Staffordshire Moorlands	43.8	38.3	12.5	64.9	17.1	7.0	0.2	176.5
	Stoke on Trent	23.7	33.7	11.0	57.3	15.0	5.9	2.2	140.8
	Tamworth	112.3	41.6	13.6	70.6	18.5	7.3	n/a	256.6
	Cannock Chase							n/a	
	East Staffordshire							n/a	
	Lichfield							n/a	
	Newcastle under Lyme						n/a		
	South Staffordshire							n/a	
Stafford							n/a		

Category	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
How you compare against other authorities in the same region	Staffordshire Moorlands								
	Stoke on Trent								
	Tamworth							n/a	
	Cannock Chase							n/a	
	East Staffordshire							n/a	
	Lichfield							n/a	
	Newcastle under Lyme						n/a		
	South Staffordshire							n/a	

Category	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
	Stafford							n/a	
	Staffordshire Moorlands								
	Stoke on Trent								
	Tamworth							n/a	
How you compare against other authorities with similar characteristics - ONS area classification	Cannock Chase							n/a	
	East Staffordshire							n/a	
	Lichfield							n/a	

Category	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
	Newcastle under Lyme						n/a		
	South Staffordshire							n/a	
	Stafford							n/a	
	Staffordshire Moorlands								
	Stoke on Trent								
	Tamworth							n/a	
How you compare against other authorities in the same rurality / urban area	Cannock Chase							n/a	
	East Staffordshire							n/a	

Category	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
	Lichfield							n/a	
	Newcastle under Lyme						n/a		
	South Staffordshire							n/a	
	Stafford							n/a	
	Staffordshire Moorlands								
	Stoke on Trent								
	Tamworth							n/a	

Table A1.2: Nearest neighbours (the 4 authorities that are most similar to the selected authority based on key population characteristics) comparison for dry recycling 2013/14.

Local authority	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
Cannock Chase District Council	Yield (kg/hhd/yr)	107.9	40.0	13.1	67.9	17.8	7.0	n/a	246.6
1st - Flintshire County Council	Yield (kg/hhd/yr)	71.3	33.6	14.7	58.4	17.2	n/a	n/a	195.1
2nd - Ashfield	Yield (kg/hhd/yr)	86.3	30.1	9.2	42.5	13.2	5.2	n/a	181.3
3rd - North West Leicestershire	Yield (kg/hhd/yr)	53.3	32.3	8.3	51.7	15.2	9.6	0.3	160.8
4th - Erewash	Yield (kg/hhd/yr)	79.5	29.4	9.6	50.0	13.1	5.2	n/a	181.7
Local authority	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
East Staffordshire Borough Council	Yield (kg/hhd/yr)	40.6	48.1	15.7	81.6	21.4	8.8	n/a	207.4
1st - Erewash	Yield (kg/hhd/yr)	79.5	29.4	9.6	50.0	13.1	5.2	n/a	181.7
2nd - Kettering	Yield (kg/hhd/yr)	51.2	36.4	14.3	75.5	18.6	7.5	n/a	196.0
3rd - Nuneaton and Bedworth	Yield (kg/hhd/yr)	57.0	25.9	11.8	66.7	15.9	6.1	0.1	177.4
4th - Sedgemoor	Yield (kg/hhd/yr)	37.8	53.3	8.3	49.7	11.9	n/a	2.2	160.9
Local authority	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
Newcastle-under-Lyme	Yield (kg/hhd/yr)	51.3	24.8	11.3	45.1	13.7	n/a	0.8	146.3
1st - Wrexham	Yield (kg/hhd/yr)	69.1	22.6	6.2	40.9	9.3	n/a	n/a	148.1
2nd - Wyre Forest	Yield (kg/hhd/yr)	97.4	36.0	11.8	61.2	16.0	6.3	n/a	222.5
3rd - Broxtowe	Yield (kg/hhd/yr)	86.8	30.3	9.3	30.3	13.3	5.3	n/a	169.9
4th - Chorley	Yield (kg/hhd/yr)	47.9	28.7	18.9	86.5	20.1	n/a	n/a	202.0

Local authority	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
South Staffordshire	Yield (kg/hhd/yr)	105.4	39.0	12.8	66.3	17.3	6.8	n/a	240.8
1st - Lichfield	Yield (kg/hhd/yr)	111.9	41.4	13.6	70.4	18.4	7.3	n/a	255.6
2nd - Bromsgrove	Yield (kg/hhd/yr)	96.8	35.8	11.7	60.9	15.9	6.3	n/a	221.1
3rd - Hinckley and Bosworth	Yield (kg/hhd/yr)	57.7	27.2	13.8	78.2	18.6	7.1	0.2	195.4
4th - North Warwickshire	Yield (kg/hhd/yr)	66.6	13.5	15.1	46.6	6.1	1.0	0.1	147.9
Local authority	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
Stafford Borough Council	Yield (kg/hhd/yr)	38.7	50.7	16.5	86.1	22.6	9.2	n/a	214.6
1st - Cheshire East	Yield (kg/hhd/yr)	97.3	36.0	11.8	61.2	16.0	6.3	n/a	222.4
2nd - Bromsgrove	Yield (kg/hhd/yr)	96.8	35.8	11.7	60.9	15.9	6.3	n/a	221.1
3rd - East Riding of Yorkshire	Yield (kg/hhd/yr)	81.9	30.3	9.9	51.5	13.5	5.3	n/a	187.2
4th - Monmouthshire County Council	Yield (kg/hhd/yr)	114.8	42.5	13.9	72.2	18.9	7.4	n/a	262.2
Local authority	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
Staffordshire Moorlands District Council	Yield (kg/hhd/yr)	43.8	38.3	12.5	64.9	17.1	7.0	0.2	176.5
1st - Forest of Dean	Yield (kg/hhd/yr)	50.2	n/a	10.5	46.4	n/a	n/a	n/a	n/a
2nd - Hinckley and Bosworth	Yield (kg/hhd/yr)	57.7	27.2	13.8	78.2	18.6	7.1	0.2	195.4
3rd - Lichfield	Yield (kg/hhd/yr)	111.9	41.4	13.6	70.4	18.4	7.3	n/a	255.6
4th - Wyre Forest	Yield (kg/hhd/yr)	97.4	36.0	11.8	61.2	16.0	6.3	n/a	222.5
Local authority	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
Stoke on Trent City Council	Yield (kg/hhd/yr)	23.7	33.7	11.0	57.3	15.0	5.9	2.2	140.8

1st - Tameside	Yield (kg/hhd/yr)	52.2	24.6	13.3	60.8	14.1	n/a	n/a	165.0
2nd - Sunderland City	Yield (kg/hhd/yr)	68.6	25.4	8.3	43.1	11.3	4.5	n/a	156.8
3rd - Wigan	Yield (kg/hhd/yr)	83.1	30.8	10.1	52.3	13.7	5.4	n/a	189.9
4th - Barnsley	Yield (kg/hhd/yr)	45.5	9.1	8.7	59.2	11.1	n/a	n/a	133.5
Local authority	Detail	Paper	Card	Cans	Glass	Plastic bottles	Mixed plastic packaging	Textiles	All 5 'Widely Recycled' materials
Tamworth Borough Council	Yield (kg/hhd/yr)	112.3	41.6	13.6	70.6	18.5	7.3	n/a	256.6
1st - Redditch Borough	Yield (kg/hhd/yr)	99.1	36.7	12.0	62.3	16.3	6.4	n/a	226.5
2nd - Cannock Chase	Yield (kg/hhd/yr)	107.9	40.0	13.1	67.9	17.8	7.0	n/a	246.6
3rd - Telford and Wrekin	Yield (kg/hhd/yr)	43.7	28.9	14.2	28.5	9.0	3.5	0.0	124.3
4th - Nuneaton and Bedworth	Yield (kg/hhd/yr)	57.0	25.9	11.8	66.7	15.9	6.1	0.1	177.4

Table A1.3: Yield kg/household/per year for 2014/15

Tonnages (Kerbside collection services - Yield in kg per household per year)	Cannock	East Staffordshire	Lichfield & Tamworth	Newcastle under Lyme	South Staffordshire	Stafford	Staffordshire Moorlands	Stoke on Trent	APSE benchmark average ²³ (range)
Commingled	68.22	183	300						
Paper	34.76	37			91.54	49	70.9	37.00	
Card	12.06				27.67	61	20.64	19.00	
Cans	79.80				11.33	12	15.1	11.00	
Glass	13.27				69.88	77	40.29	35.00	
Plastic bottles	17.13				29.83	13	16.83	n/a	
Mixed plastic packaging	0.00					8	13.17	22.00	
Textiles	32.53				0.00	0.03	0.72	0	
Total kerbside recycling recovered per household	257.77	220	300	395.25 ²⁴	230.25	220	177.65	124	346.39 (134.12 – 511.8)
Residual waste	430.28	442	448		461.02	431	382.74	542	
Organic waste - garden only	0.00		240		288.34	249	n/a	n/a	
Organic waste - garden and food combined	212.13	248					281.8	136.00	
Organic waste - food only	0.00						n/a	n/a	
Percentage of household waste sent for recycling (%)	28.63	24.95%	29.8		25.44%	24.48	23.21	100	
Percentage of household waste sent for composting (%)	23.57	26.68%	24.4		28.69%	30.33	31.95	100	

²³ APSE Refuse Collection Performance Indicator Standings 2-14/15: Whole Service Report, indicator PI 26 – Kerbside recycling recovered per property (kgs)

²⁴ From APSE Refuse Collection Performance Indicator Standings 2014/15: Whole Service Report, Newcastle under Lyme output/score

8 Appendix 2: Current Services

Table A2.1: Collection Containers

Authority	Residual bin	Dry recyclate bin	Organic bin	Container purchase	Sale/hire income
Cannock Chase	240l standard for houses. Flats 2040l or 1100l (communal).	Households 240l or 360l, flats 240l or 1100l (communal).	Wheeled bin 240l, not flats or poor access properties.	£50,741 ²⁵	£0
Staffordshire Moorlands	180l standard for houses Blue refuse sack for terraces/flats with limited storage space Communal - 1100l, 660l, 360l.	Standard property – 240l bin, clear bag terraces/flats with limited storage space - kerbside boxes, Communal - 1100l bins, 360l for paper.	Standard - 240l bin, terraces/flats with limited storage space - 25l caddy and paper sacks for garden waste, communal - offered to all but some declined service, 360l bin or less.	£50,183	£4,731
South Staffordshire	140l, 240l and 360l (no longer issued) wheeled bins, communal 240l, 660l 1100l wheeled bins and sacks.	240l wheeled bins. 360l wheeled bins (communal properties) and small number of properties utilising reusable bags.	240l wheeled bins.	£73,687	£13,888
East Staffordshire	Wheeled bin 180l standard, with 240l offered, although majority of properties still have 240l. Large families have option to buy 360l at one off cost of £45 if struggling with waste. Communal EURO bin 1100l.	Wheeled bin 240l standard, with 360l offered, Communal EURO bin 1100l.	Wheeled bin 240l as standard. Additional bins (max.3) may be purchased at £40 each, one-off cost.	£63,725 (price broken down into res./recy./g arden	
Newcastle under Lyme	Wheeled bin 180l standard with 240l offered to larger families (currently 60% of properties still have 240l, being exchanges at point of failure). Communal Euro bin for flats.	55l box, food caddy, reusable bags, single use bags (changing to 3 boxes from July 2016 with new weekly recyclate collection).	Wheeled bin 240l, not offered to flats or poor access properties.	£84,903	£12,182
Stafford	Wheeled bin 180l, 240l, 360l, 1100l,	Wheeled bin 240l, 1100l (some	Wheeled bin 240l, not offered to flats	£70,000	

²⁵ The container cost given in spreadsheet 6B includes significant final payments for historic waste container leasing and is therefore not representative of a 'normal year'. A more typical annual spend is shown in this year's budgets of £50,741 (2015/16 spend & commitment).

Authority	Residual bin	Dry recyclate bin	Organic bin	Container purchase	Sale/hire income
	sacks.	communal/schools).	individually - communally if needed.		
Lichfield & Tamworth	wheeled bins, 140, 180l, 240, 360l 1100l, sacks.	Wheeled bin 240l, Communal EURO bin 360l , sacks.	wheeled 240l bins	£83,424	£950
Stoke on Trent	Wheeled bin 180l, 240l, 360l, communal EURO bin 660l and 1100l, skips, sacks.	Wheeled bin 240l green box>50l, sacks.	Wheeled bin 240l.	£173,911	

Table A2.2: Commercial collection

Authority	Residual Collection	Recyclate Collection	Cost	Income	Overall Cost/Overall income
Cannock Chase ²⁶	Yes	No	£182,758	£208,522	£25,764
Staffordshire Moorlands	Yes	Service being rolled out to all commercial waste customers – full service is available including dry recyclate plus food and garden	£190,548	£427,492	£236,944
South Staffordshire	n/a	n/a			
East Staffordshire	Yes	Paper & Card	£188,000	£173,000	£15,000
Newcastle under Lyme	Yes	Full range	£377,422	£446,317	£68,895
Stafford	n/a	n/a			
Lichfield & Tamworth	Yes (Lichfield)	Full range (Lichfield only)	£238,371	£337,849	£99,478
Stoke on Trent	Yes	No	£891,585	£872,858	£18,727

²⁶ As of April 2016 Commercial Waste will be undertaken by Biffa with no cost or income generation for Cannock Chase

Table A2.3: Bulky waste collection

Authority	Service delivery	Charge to hh	Cost of service	Income	Overall cost/Overall Income
Cannock Chase ²⁷	In house until April	£17.50	£81,150 ²⁸	£14,943	£66,207
Staffordshire Moorlands	Furniture Mine	Free if reusable, £35 (up to 3), £55 (4-6), £70 (7-9), £10 (per additional)	In partnership to an external reuse organisation – cost neutral service		
South Staffordshire	Biffa	£15 for 3 items (max 9 collected) To be £30 for 1 – 3 item, £60s from 1 st April 2016.	£31,728	£22,365	£8,913
East Staffordshire	In house	£20 up to 6, £5 each item more up to £10	Do charge but not showing as separate cost or income		
Newcastle under Lyme	Furniture Mine	Free if reusable, £35 for 1 to 3 if not	In partnership to an external reuse organisation – cost neutral service		
Stafford	Biffa	£36 up to 3/£18 if on benefits - BIFFA	£15,260	£28,079	£12,820
Lichfield & Tamworth	In house	£15 first item	£56,330	£47,238	£9,092
Stoke on Trent	In house	£15 for 5			

Table A2.4: Bring Site provision

Authority	Number of bring banks	Material collected	Service delivery
Cannock	7	Comingled (5), glass (1), paper (1)	In-house plus Berryman and Palm
Staffordshire Moorlands	0		
South Staffordshire	16	Paper, glass, textiles, books	Palm Recycling Ltd, Berryman and JMP Wilcox Ltd

²⁷ As of April 2016 Bulky Waste Collections will be undertaken by Biffa at a cost of £18,760 with no income generation for Cannock Chase.

²⁸ This cost seems high as it includes labour elements for the delivery and repair of waste containers for all streams - as it is undertaken by the same team and cannot be split out.

East Staffordshire	8	Comingled, plus paper, card, textiles, small wee	In-house (comingled and also paper/card using existing fleet using 1100L bins), textiles (Wilcox), small WEEE collected In house and delivered to CA site
Newcastle under Lyme	15	Full range (as offered by kerbside)	In-house from July 2016
Stafford	22	Paper, card, cans, mixed glass, textiles	Biffa & Downings & Wilcoxs
Lichfield & Tamworth	34 (Tamworth) & 25 (Lichfield)	Paper, glass, textiles	Palm, Berryman, ERC, SA, Wilcox, Traid
Stoke on Trent	48	Paper, textiles, shoes, tetrapak	Palm Recycling, Oxfam, ERC

9 Appendix 3: Income generation summary

Table A3.1: Income generation (excluding recycling credit) – extracted from individual entries in spreadsheet 6B and supplemented by LA data.

Authority	Income (i)	How income (i) is generated													
		Sale of dry recycle	Trade Waste Charges		Misc.	Special collection i.e. bulky waste	Garden waste service charge	Sale of bins	Textiles	Finance lease adjustment			Residual service charge Warwickshire	Misc. non vat. charges - Four ashes SCC	Insurance claims residual
	vatable	non vatable	Residual	Recycling						Garden and food					
Cannock Chase	£230,987	£6,297	£139,630	£68,892		£14,943									
Staffordshire Moorlands	£577,116	£144,893		£427,492			£4,731								
South Staffordshire	£131,013	£115,000					£13,888	£2,125							
East Staffordshire	£487,180	£88,413	£170,028						£93,783	£67,478	£67,478				
Newcastle under Lyme	£712,288	£219,397	£532	£438,420	£7,169		£34,588	£12,182							
Stafford	£28,604	£0					£28,604								
Lichfield & Tamworth	£515,206	£13,850		£337,849		£47,238		£950				£7,645	£104,144		£3,530
Stoke on Trent															

10 Appendix 4: Benchmarking of Disposal staff costs

Staffordshire County Council 2016/17				
Post	Grade	Salary	% waste	Cost
Project Director/Head of Service/GM	16	82,000	33	27060
Group Manager Waste & Environment	12	46,000	75	34500
Contract Manager	11	42,000	100	42000
Contract Manager Waste and Envi	11	42,000	60	25200
Contract officer W2R	9	31,000	100	31000
Contract officer HWRC's	9	31,000	100	31000
Contract officer other facilities	9	34,000	100	34000
Environmental officer	7	24,000	50	12000
Admin officer	7	24,000	100	24000
1.5 FTE admin	4	23,000	100	23000
Total				283760
50% for on cost, rent, exp, etc				£425640
Waste Budget		£35,000,000		
% of overhead for budget		1		
Waste handled or administered (xCC)		460,000	0.925304348	per tonne
Waste Handled and admin (inc Partners)		625,000	0.681024	per tonne
Authority 2 WDA 2016/17				
Post	Grade	Salary	% waste	Cost
Director CET (Project Director)	C/OFF B	139,415	3	4,182
Assistant Director CET	MAN GR7	80,960	5	4,048
Head of Operational & Transport Services	MAN GR5	63,900	20	12,780
Waste Team Manager (Client Officer)	MAN GR3	46,145	90	41,531
Waste PFI Accountant 0.92FTE	MAN GR1	36,569	100	36,569
Senior Technical Officer	MAN GR1	37,510	70	26,257
Waste Contract Officer	SS10	29,315	100	29,315

Data Analyst 0.5FTE (Officer on MAT leave)	SS7/8	11,686	100	11,686
Data Analyst 0.5FTE (Vacant)	SS7/8	11,686	100	11,686
Landfill Officer	SS11	32,831	0	0
Landfill Technician	SS8	23,372	0	0
Recycling Officer 0.6FTE	SS9/10	17,589	80	14,071
Project Officer 0.8FTE	SS9	20,943	40	8,377
Total				200,502
50% for on cost, rent, exp, etc				£300,754
Waste Budget		£37,000,000		
% of overhead for budget		0.81		
Waste handled or administered		320,564	0.94	per tonne
Waste Handled and admin (inc Partners)		364,646	0.82	per tonne
Authority 3 WDA 2016/17				
Post	Grade	Salary	% waste	Cost
Waste contract team				
Assistant Director Environment Service	15	118,212	20	23,642.40
Waste Operations Group Manager	14	78,532	100	78,532.00
Finance Manager	11	53,984	100	53,984.00
Waste Contract Manager	11	55,021	100	55,021.00
Waste Contract Officer	9	48,150	100	48,150.00
Waste Technical Officer	9	41,733	60	25,039.80
Waste Programme Manager	11	53,984	10	5,398.40
Subtotal				289,767.60
Waste Policy and Development Team				
Assistant Director Environment Service	15	118,212	20	23,642.40
Waste Development Group Manager	14	78,532	100	78,532.00
Waste Improvement team manager	11	52,376	100	52,376.00
Waste Improvement Officer	9	42,359	100	42,359.00

Waste Improvement Officer	9	42,359	100	42,359.00
Waste Improvement Officer	9	42,359	100	42,359.00
Waste Analysis & insight Team Mgr	11	53,984	100	53,984.00
Waste Analysis & Insight officer	9	41,107	100	41,107.00
Waste Programme Manager	11	53,984	90	48,585.60
Subtotal				425,304.00
Total				
50% for on cost, rent, exp, etc				£637,956
Waste Budget		£60,567,413		
% of overhead for budget				
Waste handled or administered		550,000		
Waste Handled and admin (inc Partners)				

11 Appendix 5: Procurement Models

	Company Limited by shares	Private Company Limited by Guarantee	Community Interest Company (CIC)	Co-operative and community benefit society (formerly industrial and provident society)
Legal identity separate from its members	Yes	Yes	Yes	Yes
Limited liability of members	Yes – if wound up, limited to unpaid amount on the shares (including premium)	Yes – if wound up, limited to the (usually nominal) amount each member has agreed to contribute up to in their statement of guarantee	Yes – may either be limited by shares or guarantee	Yes – members' liability limited to the amount unpaid on shares
Governing documents	Articles of association	Articles of association	Articles of association incorporating the specific requirements of the Community Interest Companies Regulations 2005 and related CIC legislation	Constitution or rules administered by members, generally on basis of one vote per member
Scope to obtain charitable status / tax benefits as a charity	It is possible for a company limited by shares to be a charity, though very rare in practice; most are set up as companies limited by guarantee. Often however, trading subsidiaries of a charity are set up as companies limited by shares.	Yes if it has charitable objects for the Charity Commission to register it as a charity	No	Cannot register as a charity but if it meets charitable criteria it may benefit from "exempt charity" status and obtain tax benefits
Regulation	Companies Act 2006 and associated legislation	Companies Act 2006 and associated legislation Charity law and Charity Commission if also a charitable company	Companies Act 2006 and subordinated legislation made under that Act and related legislation, including the Companies (Audit, Investigations and Community Enterprise) Act 2004 and the Community Interest Company Regulations 2005 Registration with Registrar of Companies Regulated by the Regulator of Community Interest Companies	Regulated by the FSA (and not by the Charity Commission even if its objects are charitable)
Main potential sources of funding/income	Generating surpluses from trading activities or sale of assets or other income. Members own shares which they either purchase or may be given (e.g., through an employee share scheme).	Fund raising/grants/donations Trading or other income-generating activities if permitted by its objects. Borrowing if income sufficient and constitution permits	Similar to company limited by guarantee or other private limited company, but scope for raising equity and debt capital is restricted by their community benefit objectives and limitations on dividends and interest payments	Equity investment, grants, fundraising, trade or other income-generating activities and borrowing dependent on constitution
Can it distribute profits?	Yes	In principle yes, but companies limited by guarantee often have a prohibition on distributing profits to members in the articles of association	CICs can generate a profit. Dividends may be paid depending on the corporate structure and constitution of the specific CIC. Such payments are subject to controls (and in some cases a dividend cap) set out in CIC legislation.	Generally it is a requirement of registration with the FSA that a BenCom should not distribute profits to members but retain them for the benefit of the community
Asset lock	No – but subject to maintenance of capital restrictions	No specific requirement but provisions with such an effect could be included in memorandum and/or articles of association	Articles must include an "asset lock" as set out in the CIC Regulations 2005. Assets can only be transferred at full market value (with limited exceptions). Surplus assets remaining on dissolution are protected for the community	Such provisions could be included in the BenCom's constitution
Minimum number directors/members or equivalent	At least 1 director (a natural person at least 16 years old) who may be the sole member. Members will decide The most important decisions regarding the company. Directors will carry out the day-to-day business	At least 1 director (a natural person at least 16 years old) who may also be the sole member. If also a charity, the Charity Commission recommends at least 3 directors (individuals).	As for company limited by guarantee, by shares or any other private company	Every IPS/BenCom must have a committee of management (sometimes called "directors") and a secretary. Generally a minimum of three individuals plus a secretary

Registration and costs	Must register and file annual returns and accounts with Registrar of Companies. Standard incorporation certificate costs £15(electronic)/£40 plus additional costs in preparing constitution (from c£300). Annual return filing fee of £13 (electronic)/£40.	Must register and file annual returns and accounts with Registrar of Companies. Standard incorporation certificate costs £15(electronic)/£40 (paper) plus additional costs in preparing constitution (from c£300). Annual return filing fee of £13 (electronic)/£40.	Must satisfy "community interest test" to register as and continue to operate as a CIC. Must register (£35/£25(conversion)) and then file annual returns (£15) and annual accounts accompanied by a community interest report (£15) all with Registrar of Companies which has a section overseeing CICs.	Registration with the FSA costs between £40 and £950 depending on the society's level of deviation from the model rules. Annual fees depend on the value of assets. The annual return fee has been abolished (see FSA Policy Statement 10/7).
Typical use	Most common business structure and well recognised by banks and other commercial organisations as a trading vehicle	Attractive structure for not for profit organisations that require limited liability and seek a degree of continuity to do such acts as own land or other assets, enter into contracts, employ staff, hold a bank account and/or borrow money	Intended for social enterprises that wish to use their assets, income and profits for the benefit of a community, with mandatory asset lock and controls on dividends to reassure potential participants, donors or investors	BenComs are one of the two forms of IPS which can be registered under the 1965 Act and are organisations with social objects to run a trade or business for the benefit of the community
Issues	Query use of vehicle for collaborative Teckal type venture or for social enterprise given it is set up to generate and distribute profits to investors. Permitted under trading powers and wellbeing/localism Bill.	Permitted under local authority trading powers and wellbeing etc. Limited availability of working capital makes this structure less well suited to commercial ventures	Basically a limited liability company with an added "overlay". Doubtful whether additional costs and complexity justified by benefits over other forms. Permitted vehicle under trading powers but unlikely to be suited to public/public collaborative venture. Any direct private capital participation in the CIC would most likely preclude the "in house" procurement exemption	Organisations which conduct an industry, business or trade for the benefit of the community. There must be special reasons why they cannot register as a company. In practice they are used less frequently than companies though permitted under trading powers.

