

Dear Sirs,

CONSULTATION ON THE BEST VALUE AND AUDIT COMMISSION PERFORMANCE INDICATORS FOR 2000/2001

Thank you for the opportunity to comment on the latest Best Value Performance Indicators. The comments below come on behalf of the Local Authority Recycling Advisory Committee (LARAC) for whom I am Policy Officer. LARAC is an association of 300+ local authority professionals who co-ordinate and operate waste management services for their respective authorities. Membership is drawn from all types of authority including statutory Waste Collection (WCA), Waste Disposal (WDA) and Unitary Authorities. In view of the focus of LARAC, comment has been mainly confined to the waste management performance indicators (PIs) contained within Chapter nine.

Policy approach

LARAC is extremely surprised that such key issues are contained within a consultation that appears by its title to be focused on statistical reporting for the year 2000/2001. This is plainly not the case as many of the proposals are central to the delivery of the Waste Strategy 2000 over the coming years. LARAC has consistently sought a more constructive partnership approach to developing waste policy with local government. The proposed introduction of such radical changes to performance standards within a month of the closure of this consultation does not lead us to believe that any meaningful dialogue is sought or intended.

It should be noted that the BVPIs are not merely a monitoring tool. When targets are set, especially statutory targets, local authorities work towards achieving them. It then becomes progressively more difficult and costly to make changes to strategy as policies become established, expenditure committed, contracts let and infrastructure constructed. If the initial policy is driven by seeking to attain an inappropriate target, then an opportunity to develop more sustainable waste management may be lost and, worse, lasting environmental damage may be done. In this context the proposed BVPIs have an almost equal importance to the central policy direction of the Waste Strategy. This is policy development by target setting rather than by the development of a clear and structured strategy.

If Government intend to take this approach to policy setting it is important that the long-term effects of the proposed BVPIs are considered. In particular setting targets for recycling drives policy towards recycling, but does not address the underlying problem of the need to reduce the production of waste. However, setting a waste avoidance target would. Setting targets for the amount of waste composted, does not address the problem of what happens to the compost produced. It could be merely deposited in landfill, or on it as a soil conditioner. Setting targets for the amount of waste used for generating heat and power does not address the need to make those processes thermally efficient. However, energy output targets would. For maximum sustainability, the aim should be to initially stabilise the volume of waste then reduce its quantity, optimise levels of reuse and recycling and then maximise the displacement of fossil fuel use by using CHP (or other appropriate technologies) to maximise the energy extracted from waste.

Measuring the tonnage of waste landfilled without setting targets does not address the need to reduce the amount of waste sent to landfill. However, setting targets (to minimise the kilograms of waste landfilled per head) would. This would also enable performance to be compared across the country and would drive policy towards more sustainable waste management practices. The diversity of solutions that could be adopted would include recycling, composting, home composting, and a variety of new technologies as they became available. Although each set of solutions would be chosen to be appropriate to local circumstances, there would be a single measure of performance that was universally applicable to all WDA areas and Unitary Authorities. Government may wish to review the proposed targets to develop a more constructive framework for sustainable waste management.

Numbers of targets

This aside the proposed overall reduction in the number of Performance Indicators (PIs) is welcomed. However, the use of too many additional, or inappropriate, Local PIs nationwide could lead to confusion in the public's perception of the achievement of their particular authority against targets. The introduction of the library of definitions of local PIs by the Improvement & Development Agency is urgently needed and should help to reduce this confusion.

Reuse

Re-use is higher than recycling in the waste hierarchy, but the proposed PIs run contrary to this. Bric-a-brac and other material are re-sold at some local authority sites, and are not measured by PIs. The proposed PIs offer no incentive to local authorities to re-sell goods, when targets can be more readily achieved by recycling such goods and materials. A re-use PI is needed to make sure that the performance management framework covers all waste management activities that contribute to meeting EU targets.

Targets and data

The Waste Strategy 2000 sets out the Government's initial approach to the targets for 2003/4 which requires all authorities to double their recycling rate subject to a floor of 10% and a ceiling of 33% with local authorities banded into three categories. This Consultation document introduces a fourth category for "very best performers" and also changes the boundary between the two lowest categories from 5% to 6% recycling rate in 1998/99. In particular this will impose stiffer targets and very likely significant extra costs on those authorities who have already invested heavily in recycling and also on any authority whose 1998/99 recycling rate was in the range 5% to 6%. A survey of LARAC members has shown that 65% of respondents feel that the targets are inequitable discriminating between current high and low performers. Furthermore 56% of the respondents consider that the data contained within Annex A of the consultation is inaccurate for their authority. Such a percentage whilst not statistically significant with the number of respondents does not provide much confidence in the data that is being used to underpin these very challenging targets. A full copy of the survey data from LARAC members is included in an appendix to this correspondence.

Proposed Exclusions

There doesn't seem to be any environmental logic behind some of the waste excluded from the recycling PIs, and if confirmed in December will cause difficulty for many local authorities. Excluding such wastes from measures of performance will mean authorities will have to turn to other more expensive or less environmentally beneficial alternatives to make up the shortfall, and runs a real risk that the UK will fail to meet the requirements of the EU Landfill Directive. Popular public services may be cut back, valuable resources wasted, and environmentally beneficial activities will not be encouraged where the government has said they do not contribute to Best Value.

The exclusion of rubble from the household waste recycling calculation might on the face of it seem sensible as it is industrial waste if it is waste arising from construction and demolition (CWR 1992). Most WDAs do not accept trade waste at their civic amenity sites. Indeed many are actively introducing measures to reduce the amount of trade waste illegally deposited at CA sites. The difficulty arises where householders deliver small amounts of DIY-type wastes to civic amenity sites. Most WDAs accept these de minimis quantities as household waste and accordingly they have been included in the quantities of household waste received by WDAs for a considerable number of years. The Government has been exhorting waste management authorities to divert as much material as possible from disposal and, as household DIY waste is a clearly identifiable, easily recyclable element of the civic amenity waste stream, it should be so recognised and included as part of the calculations. It would now appear that if this material is separated for recycling it suddenly changes

its legal state and becomes industrial waste, but if it is not separated for recycling then it remains household waste. This is a particular contrary situation which must be resolved as soon as possible.

Excluding hardcore recycling will also be unpopular with the public since it is a heavily used service. The situation is further complicated since authorities that do not separate hardcore for recycling will have to estimate the amount they accept in order to exclude it from their figures as well. The BVPI framework aims to reduce subjectivity, but in this case will create a significant subjective element. The survey of LARAC members revealed that 50% of members were not in favour of the removal of this material from the reporting regime.

Whilst not conclusive 42% of members responding to our survey felt that incinerator bottom ash should be included in the recycling PIs (with 42% feeling that it should not). A more conclusive 53% felt that other incinerator ash residues (such as metals) should also be included in the recycling PIs. Comments from members reflected the fact that recycled bottom ash currently contributes to diversion from landfill and the UK responsibility under the EU Landfill Directive. It is a direct, clean and useful product of processing household waste; excluding it from recycling wastes a valuable resource and could increase energy from waste costs. It appears particularly nonsensical to exclude the recovery of metals during the incineration process?

The exclusion of 'fly tipped waste' is welcomed but must be defined more clearly or authorities will take different interpretations, making figures less comparable. It is also a difficult figure to measure and may need to be estimated, as most WCAs do not deal with it separately.

The specific exclusion of beach cleaning wastes from the definition of household waste used to calculate BVPIs will allow better comparisons across the country as only coastal authorities will produce such wastes. However, as with 'fly-tipped wastes' there will be some local difficulty in applying an effective statistical separation of this data. Further guidance may be needed.

The exclusion of home-composted waste is consistent with previous approaches to calculating the amount of waste diverted from the waste stream (although not welcomed by the majority of respondents to the LARAC survey). Overall this approach seems sensible given that preventing waste from entering the waste collection and disposal stream reduces the total amount of household waste used in the calculation. There may be particular problems where authorities have included home composting in the 1998/9 municipal waste survey returns which are now being used as the basis for future performance targets yet exclude home composting from that calculation. This 'double whammy' phenomenon will occur across many of the proposed exclusions.

Abandoned cars never have been household waste and so reiterating their exclusion from the recycling percentage should ensure that they are not included in any authority's calculation of its household waste recycling percentage. However, it would be useful for the DETR to clarify whether or not abandoned cars should, or should not, be excluded from the municipal waste recovery rate calculations. The accepted definition of household waste excludes Abandoned Vehicles, but we would like clarification of whether or not they are included in municipal waste.

Definition of household waste

Household waste is currently defined by the Controlled Waste Regulations 1992 as specified in the definitions for BVPI82. It seems inappropriate that the definition of household waste should be amended merely to suit Best Value Performance Indicators (BVPIs) when it remains the same under the law. On pages 69, 70 and 71 it is stated that BVPIs 82 (a to d) and BVPI84 are to be calculated on the basis of the definitions of household waste as defined in S75 of the Environmental Protection Act 1990 and Schedules 1 and 2 of the Controlled Waste Regulations 1992. However, the definitions for the calculations then specifically exclude certain wastes which are defined in the specified statutes as household waste. This contradiction should be resolved otherwise the potential for some authorities to “choose” preferential data will exist. Several authorities have also called for the repeal of the Refuse Disposal (Amenities) Act which; although succeeded by the Environmental Protection Act 1990 (EPA 90); is still on the statute and in many ways contrary to the EPA 90.

Performance standards

Overall it is LARAC's view that the targets are too severe and there will be great difficulty in achieving even the 17% UK milestone in 2003-2004. This is even more difficult for authorities that must exclude significant amounts of recyclables from the new PIs. It will also take time to put recycling activities on a different footing, and there are only have two years to achieve the first milestone. A total of 53% of the LARAC survey thought it 'unlikely' that their authority would meet these new proposed targets with 6% stating that they thought they had 'no chance'. LARAC urges Government to look at the volume of response to these proposed targets and consider amendment accordingly. 80% of the respondents also thought that these targets were unrealistic in current market conditions. LARAC welcomes the recent funding announcements for the WRAP scheme but feels that still more needs to be done to support and develop recycle markets.

Difficulty in attaining targets will cause authorities to consider cutting back services that adversely affect PIs, and change services so that they make the highest possible contribution to reaching the targets. If PIs under or overvalue a service, or have patchy coverage of worthwhile services the new framework will actually have a negative impact on some services, for example hardcore recycling discussed above.

Joint working

In A Way with Waste and Waste Strategy 2000 the Government acknowledged the role played by Municipal Waste Management Strategies in terms of improving recycling performance and improving relationships in two-tier authorities. However, the proposed separate targets for WCAs and WDAs increases tensions as both authorities will need to recycle from the same waste stream to reach their targets. This may affect the supply of recyclable waste and the arrangements for recycling and disposal. This in turn could upset existing contracts and future PFI bids. 67% of the LARAC survey were in favour of a funding structure aimed at supporting a universal attainment of recycling targets. As currently proposed the PIs run counter to a central tenet of previous Government strategy which we hope will be reaffirmed in guidance due on Municipal Waste Management Strategies. In this context this element of the PIs needs reviewing. It could be appropriate to set targets for whole WDA areas in which the costs and tonnages due to the WDA and all contributory WCAs are combined. Although the results are combined, this method does not attribute performance falsely to any single authority. This approach also encourages joint working, cost-effective targeting of resources and adoption of techniques that take advantage of economies of scale where appropriate. It also enables WDA areas to be compared with Unitary authorities, so that there is a common basis for comparing all non-metropolitan areas in one chart. A common basis is needed for unit costs, in order

to combine WCA and WDA costs. At present, the unit cost is calculated per tonne for WDAs and per household for WCAs. It might appear that per tonne was a suitable common basis for the unit cost. However, this would obscure the rise in total costs due to increasing tonnages. Therefore, that would not be useful, as the most sustainable form of waste management is waste avoidance. It would be more appropriate to use per household for unit costs, because per household unit costs would be higher in more affluent areas. This would reflect less sustainable lifestyles that generate more waste. The effects of waste minimisation campaigns would also be reflected in a diminishing per household unit cost, but would make no change to per tonne unit costs.

Costs

Thank you for the opportunity to comment. Do not hesitate to contact me should you need further clarification on any points raised in this correspondence.

Yours sincerely

Andy Doran
Group Manager, Waste Policy, Surrey County Council
For and on behalf of the Local Authority Recycling Advisory Committee

Question	Yes	No	Don't Know	Unlikely	No Chance
1 Do you consider that the proposed changes to the BVPIs will improve waste management practices?	32%	55%	0%	N/A	N/A
2 Are the 1998/9 base figures provided in Annex A accurate for your authority?	34%	56%	10%	N/A	N/A
3 How confident are you of being able to meet the 2003/4 and 2005/6 standards proposed?	17%	7%	17%	53%	6%
4 Do you feel that the targets are realistic in light of market conditions?	20%	80%	0%	N/A	N/A
5 Do you feel that the proposed targets and their apportionment are equitable?	30%	65%	5%	N/A	N/A
6 Do they penalise the existing high achievers?	55%	23%	22%	N/A	N/A
7 Could the proposal that the performance standards should apply equally to WCAs and WDAs adversely affect joint working in your area?	37%	52%	11%	N/A	N/A
8 Would you prefer to see funding aimed towards bringing all authorities (whether WCA, WDA or Unitary/Metropolitan) to a similar standard?	67%	27%	6%	N/A	N/A
9 Are you in favour of the exclusion of the following items from BVPI calculations?					
A: Rubble	43%	50%	7%	N/A	N/A
B: Home composting	35%	55%	10%	N/A	N/A
C: Fly tipping	53%	40%	7%	N/A	N/A
D: Beach Clansing wastes	60%	17%	23%	N/A	N/A
E: Incinerator ash	42%	42%	16%	N/A	N/A
F: Other incinerator residues e.g. metals	30%	53%	17%	N/A	N/A

	G: Abandoned vehicles	71%	6%	23%	N/A	N/A
10	Which of the above alterations (9a-g) is the most significant for your authority?	A= 23% B= 31%	C= 28% D= 3%	E= 6% F= 0%	G= 9%	N/A
11	Do you feel that reuse as an option has been damaged by the proposals? E.g. reuse of bric-a-brac, rubble etc	41%	21%	38%	N/A	N/A
40 Respondents						