apse membership resources

State of the Market Survey 2021

Local Authority Refuse Services

Briefing 21-46
October 2021

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

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Local Authority Refuse Services

State of the Market 2021

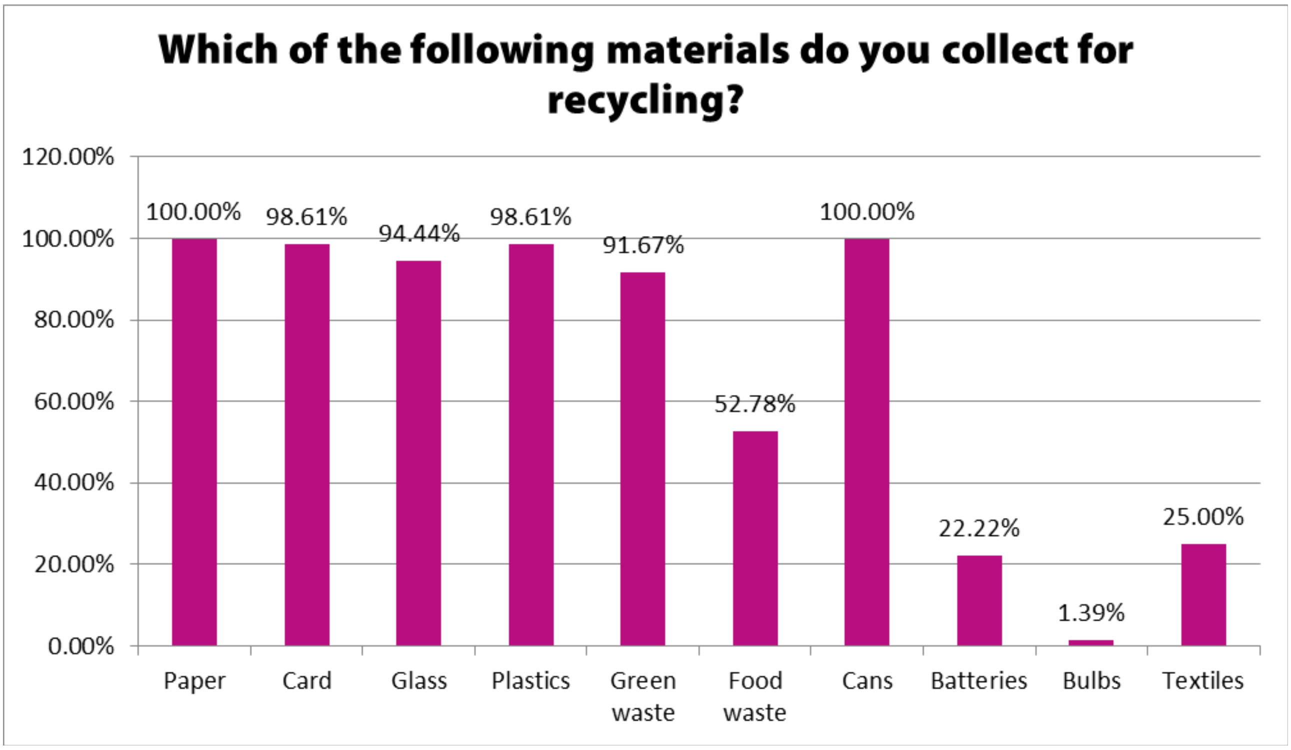
APSE conducted an online survey during July to September 2021. This follows on from the 2020, 2019, 2018, 2017, 2016, 2015, 2013, 2012, 2011 and 2008 Refuse Collection State of the Market surveys where similar questions were asked to allow for trend comparisons. Over 70 responses were received from local authorities throughout the UK, which considering the current pressures on local authority Managers as a result of the pandemic, is an excellent return.

This report identifies the key findings of the survey.

Results from the survey

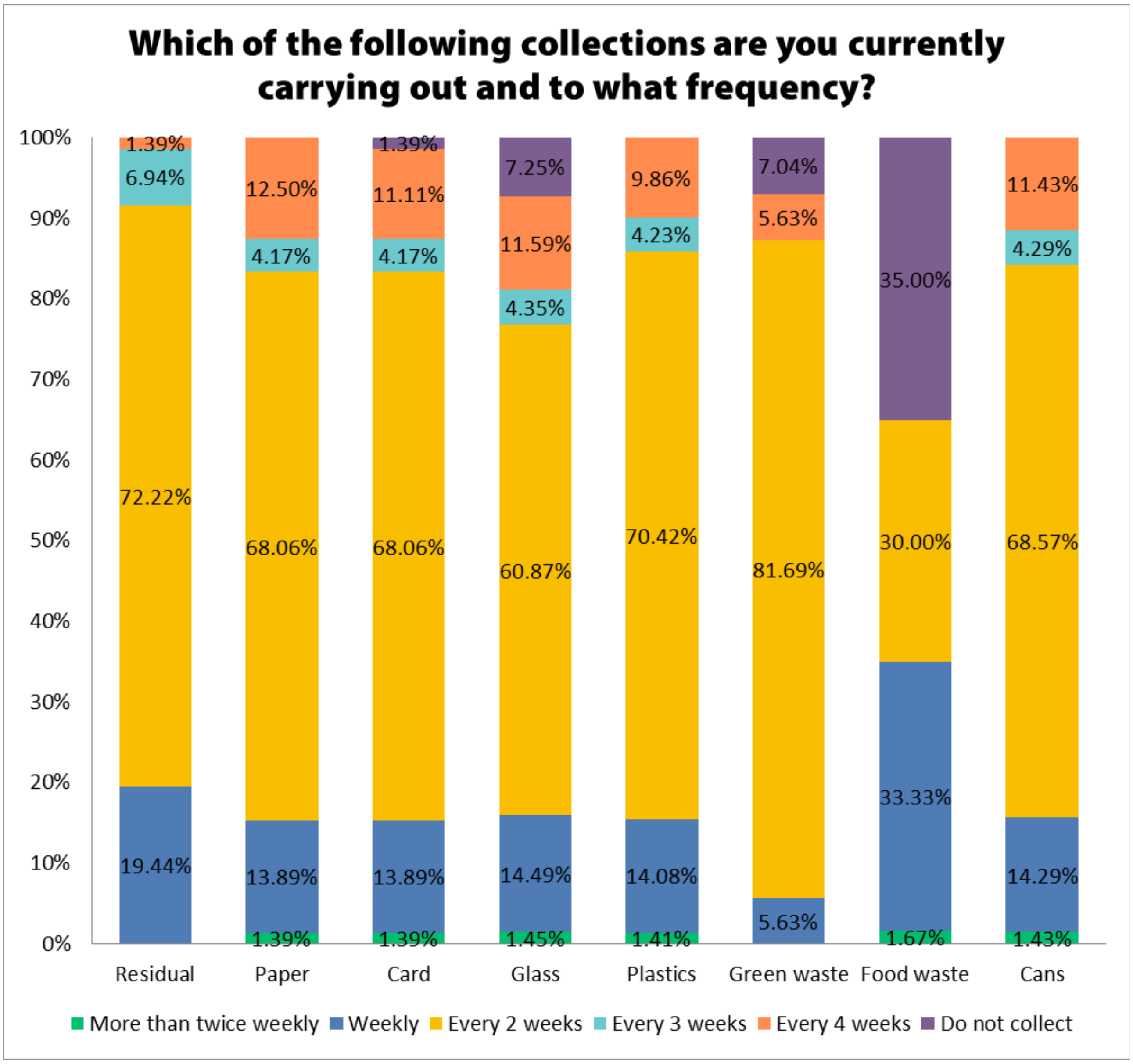
a) Recycling activities

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



The above graph shows that there has been very little change in the number of authorities collecting specified types of recyclables. There have been slight falls in food waste, textiles and battery and bulb collections, the latter two materials being the most noticeable declines of just over 8% each. In addition, world export markets for textiles are volatile and it is perhaps to be expected that textile collection services may sometimes be halted when the price for such materials is low. There is also a growing e-trade of clothing which is affecting the collection levels of both local authority collections and charity shop donations. With regards to battery collections, many shops selling batteries now provide recycling facilities for batteries and therefore the need to collect from kerbside is perhaps not as much of a priority as other materials. Finally with regards to a number of authorities reporting they do not collect glass; this is due to the use of glass bank sites still used by some authorities

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



Regarding food waste, there has been a continuing increase in the number of authorities who say they do not collect food waste, 24% in 2019, 29% in 2020 to 35% in 2021, which is perhaps somewhat surprising when a good deal of recyclable tonnage can be added to the collection rate ultimately increasing the overall recycling rate. Glass is now recorded as not being collected by 7% of respondents, which is a slight increase of 3% on 2020 figures. What is also noticeable re glass collections, is that there has been a slight increase in collection frequencies with over 15% of respondents now collecting glass on a 3-4 weekly cycle as opposed to 11 % in 2020

Residual and recycling collection patterns

Members were asked whether there were going to be any changes to their residual and recycling collections in the next 2 years. With regards to residual waste collections many were looking to reduce the frequency of collections moving more towards fortnightly and three weekly collections rather than weekly collections as has been the norm in the past. A noticeable number were also considering monthly collections of residual waste.

It was notable that over two thirds of the actual respondents to the survey chose not to answer this question reflecting the uncertainty of both budgetary pressures and the requirements of Government Waste strategy still being uncertain therefore many are perhaps awaiting outcomes/directions from the Resources and Waste Strategy before further decisions will be taken, also the impacts of COVID-19 will add further uncertainty to future service delivery methodologies.

a) Collection and disposal methods

58% of respondents indicated that they operate a task and finish system for refuse collection (an increase from 56% in 2020), 28% use zonal working (collecting all waste from one zone on the same day).

43% operate a 5-day week (a decrease from 54% in 2020), whereas 34% operate a 4-day week (up from 19% in 2020). No respondents reported having a double shifting system in place.

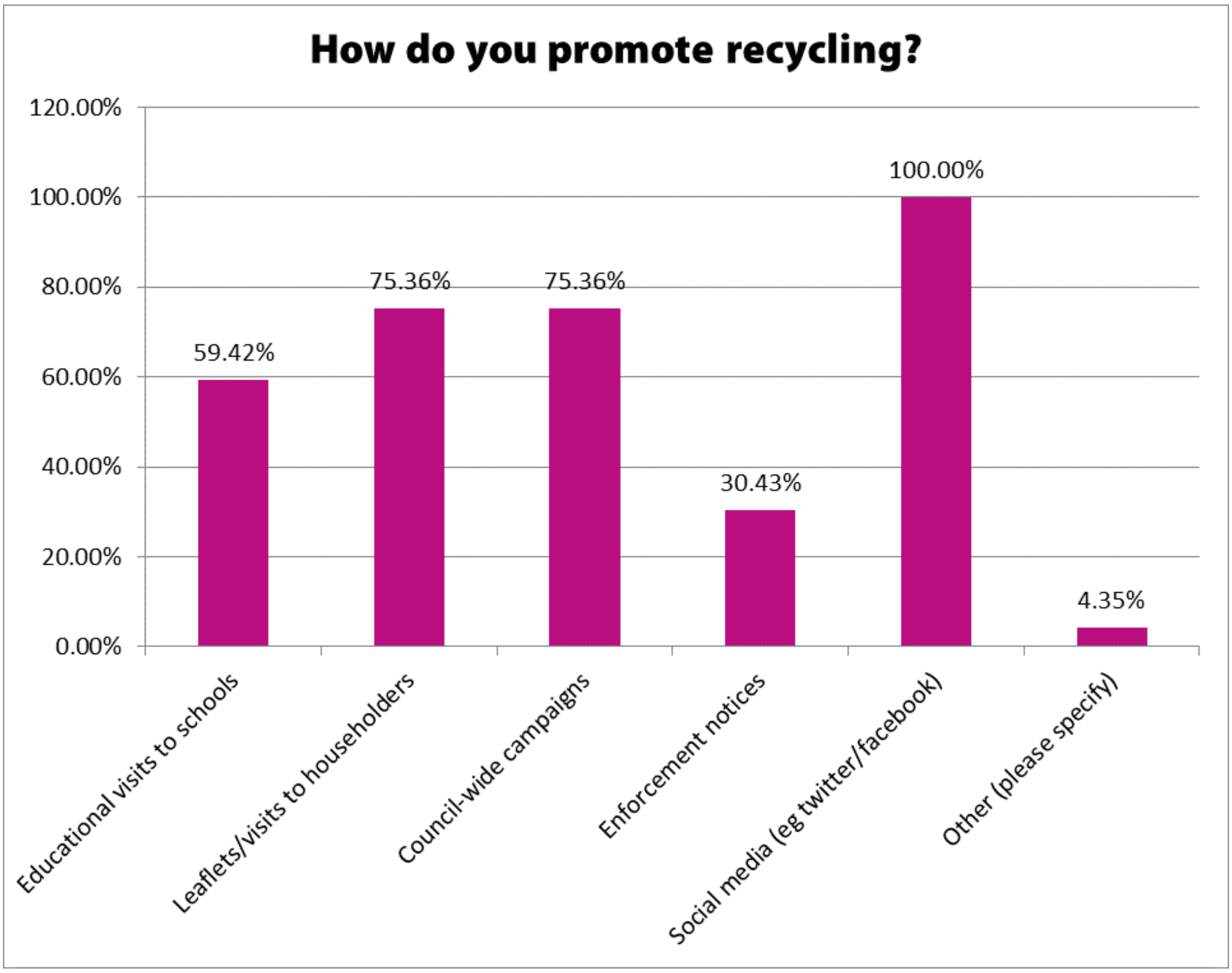
On average, under 5% of containers are replaced each year (including residual, kerbside recycling, green and kitchen waste). However, what was noticeable with responses to this question was that a number of respondents returned replacement rates of over 10%

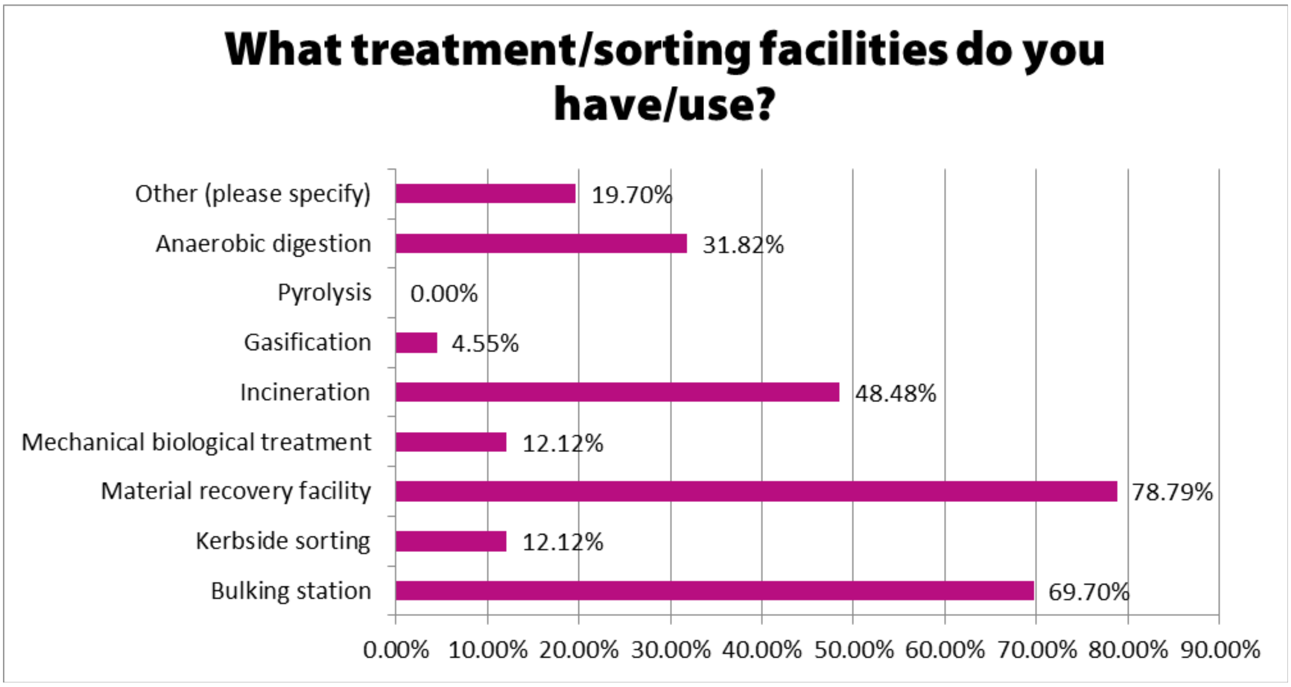
70% operate co-mingled collection system up from 60% in 2020, and 12% operate source segregated collections. 19% of respondents replied that they had a mix of both approaches (e.g., paper/card segregated, cans/plastics/glass co-mingled).

Promotion of Recycling

The chart below shows a breakdown of the methods used to promote recycling. The main changes compared to 2020 is all respondents now use social media to promote recycling. Other areas of increase include more school visits and the use of enforcement notices.

The use of behavioural change techniques through leafleting, school visits and social media are still the most popular methods used to promote recycling

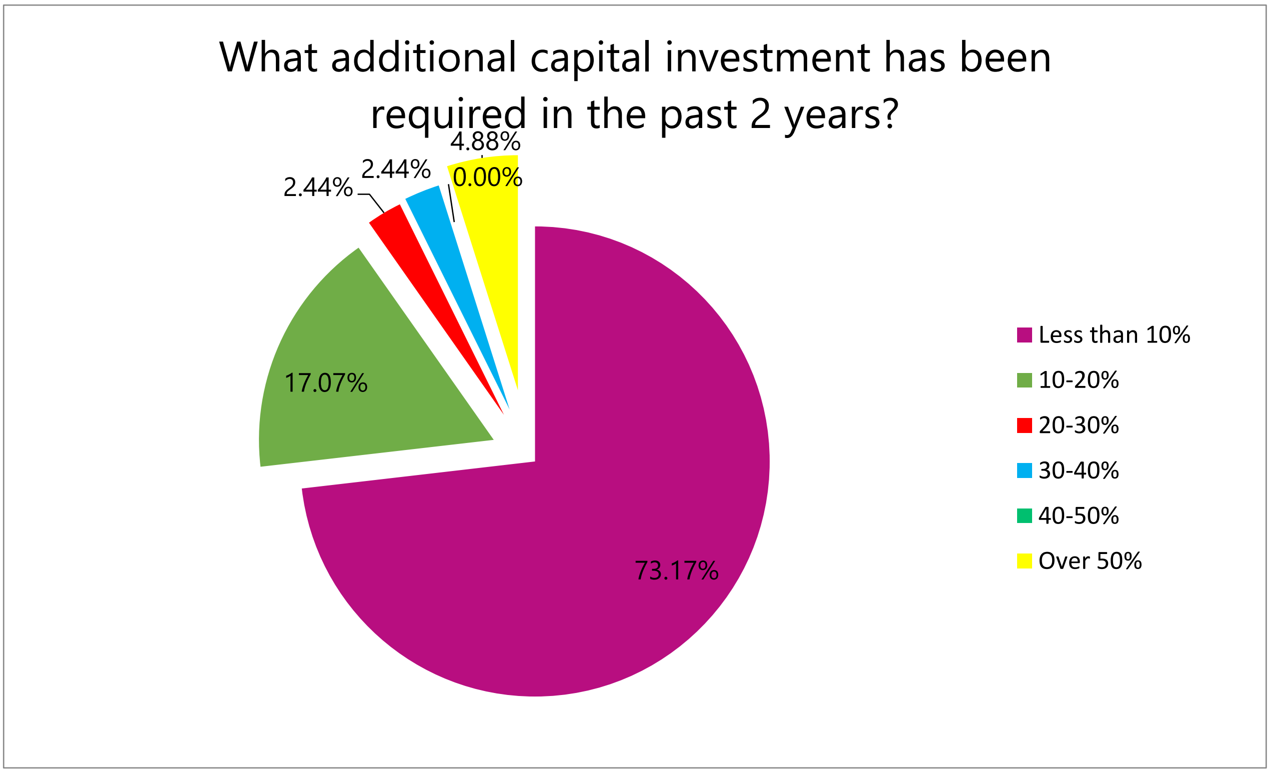




Very little has changed in the methods used regarding sorting facilities although there has been a slight rise in those authorities' using incineration, bulking stations and anaerobic digestion. Some of these increases may be due to the difficulties caused within the waste treatment infrastructure cause by the pandemic.

a) Investment in and managing the service

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



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

b) Budgetary consideration

Over 70% of respondents expect their refuse budgets to change over the next year which reflects the same level as 2020

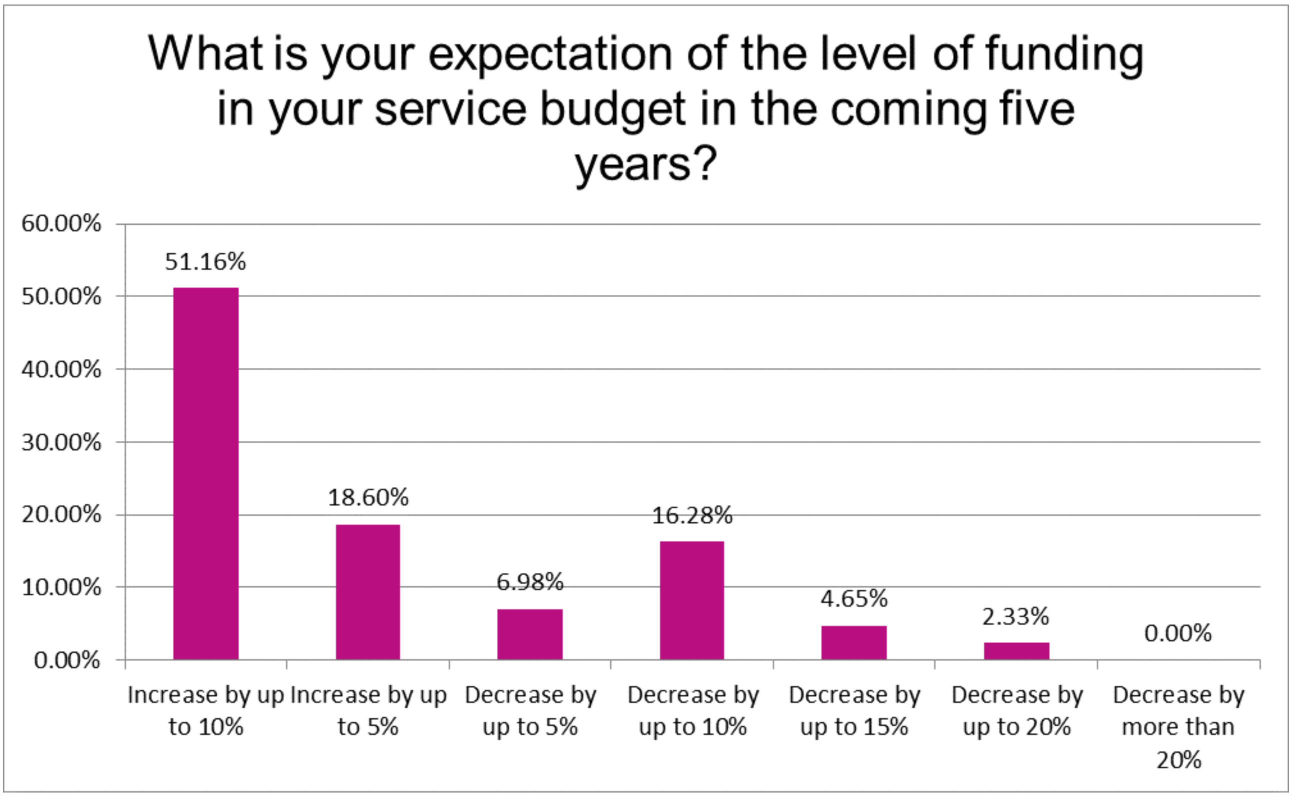
Of those expecting increases, 51% expected increases in revenue and 54% expected an increase in capital. These levels of increase bode well, as expectations were much lower in 2020, being 39% (revenue increase), and 41% (capital increase) respectively.

Of those expecting decreases in budgets, 28% are expecting decreases in revenue (39% in 2020), and 17% are expecting a decrease in capital (16% in 2020).

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

Over the next 5 years, the majority of respondents, (70%) expect to see an increase in their service budgets, as opposed to 67% in 2020. This expectation of increased budgets was explained by some respondents as being the result of the requirements of the new Resources and Waste Strategy (2018) and the requirements placed within it upon local authorities, in particular the possible needs for separate collections.

The full breakdown can be found below:



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

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

- Awaiting outcome of Waste Strategy requirements
- Introduction of ‘smart depot’ technologies.
- Developing electric fleets and associated infrastructure.

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

Service	Yes	No	No but will do within the next 1-2 years
Bulky waste collections	94 %	4%	2%
Trade waste collections to schools and hospitals	82%	0%	14%
Green waste collections	42%	42%	8%
Supply of replacement bins	62%	34%	0%
Additional black bags	4%	33%	0%
Clinical waste collections	2%	58%	2%
Food waste collection	2%	59%	0%

The results above show that there has been an increase in those authorities charging for bulky waste (88% in 2020) and green waste collections (38% in 2020). Waste collections to schools and hospitals has also risen slightly (80% in 2020) as has the number charging for replacement bins (previously 60%). The only area of decline has been charging for additional bin bags which has fallen by 1% compared to 2020.

In terms of income from areas like trade waste services and its importance to the future financial viability of your service, 33% stated they could not manage financially without this in order to cover the cost-of-service provision (up from 22% from 28% in 2020). 17% stated that they need to generate more income to ensure service sustainability (15% in 2020). 39% stated that the additional income is useful but not essential to their service (43% in 2020), and 14% stated that they do not currently raise any additional income. This latter figure shows a drop from 23% in 2019 who said they didn’t generate income. These figures show that there has been a growing need to generate income to plug the gaps in service budgets. However, as has been seen in previous graphs, many authorities refuse services are anticipating both capital and revenue budget increases over the next 5 years. This increase in budgets is perhaps a recognition that the cuts being forced onto front-line services have reached a ‘tipping point,’ which would have led to serious impacts on both the public and local environmental quality. This potential return to more realistic levels of funding is perhaps an acknowledgement of this fact. In addition, the new Resources and Waste Strategy which will also place additional responsibilities upon local authority waste services for which additional funding will need to be provided. But, with the recent impact of COVID-19, many authorities expectations may not be met as local authority Treasurers try to meet the additional costs of the pandemic.

With the 2018 Waste Directive (including TEEP requirements), 64% are not amending their collection methods as they believe they are already TEEP compliant, and 8% are making amends to ensure they are TEEP compliant; the remaining 28% do not believe it is necessary to review their collection methods as a result of TEEP.

When asked about recycling contamination levels 17% stated they had levels under 5%, a slight increase from 15% in 2020. 26% reported levels between 5-10% (35% in 2020), 22% reported levels between 10-15%, 24% reported contamination levels of 15-20% (17% in 2020) and a further 7% reported contamination levels of over 20% the same as in 2020. we see is that levels of contamination have increased slightly, although considering the period under review with the impacts of the pandemic and interruptions in waste collections, these figures may not be unexpected.

With regards to addressing contamination levels 59% of respondents used information campaigns, 8% home visits, 7% enforcement action and 26% remove contaminated recycling bins. These results appear to suggest removing bins is far more effective, or a more popular option than enforcement and home visits, again a possible effective of the need to socially distance during the pandemic.

10% responded 'yes' to the question on whether they had or have a planned reduction in recycling credits from their waste disposal authority; 26% answered 'no' and 64% didn't know.

e) Staffing

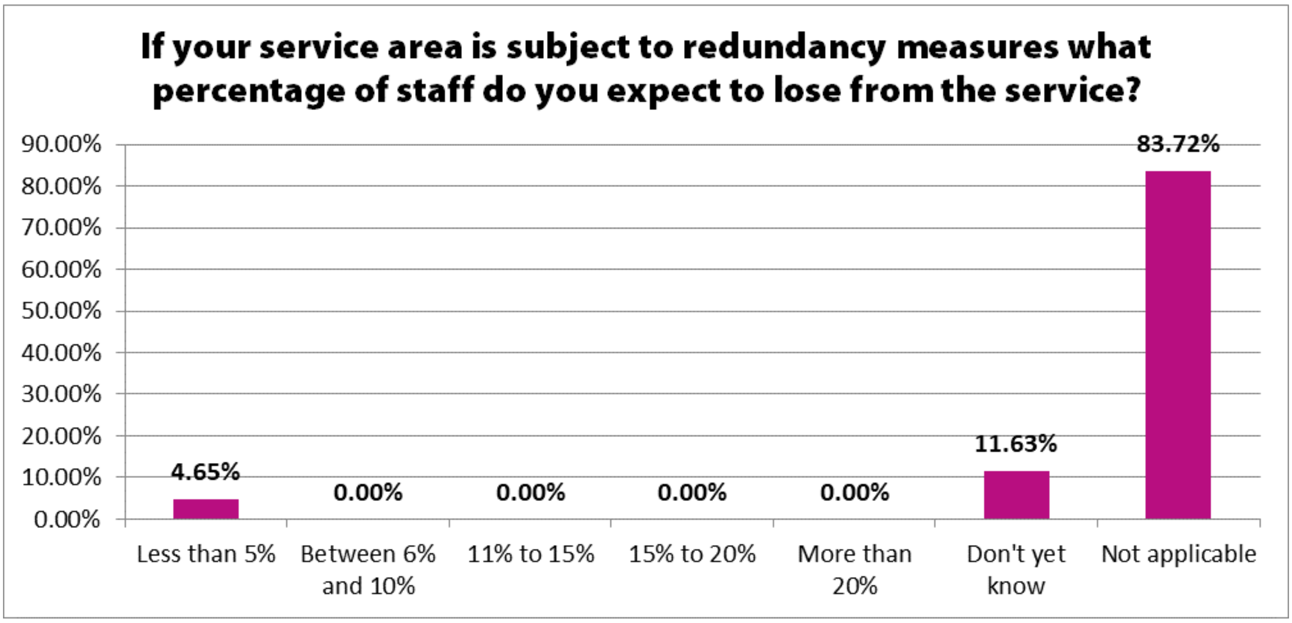
Regarding managing future staffing levels, within the next 12 months 17% expect natural wastage, 10% expect voluntary redundancy, 12% expect to implement a recruitment freeze, and under 2% expect compulsory redundancy. 72% have indicated that they intend to implement none of these.

This is a much more welcome picture with reductions in natural wastage and many intending to keep staffing levels the same, although small it is noticeable that the percentage expecting to implement recruitment freezes has risen by 4.5%, perhaps reflecting the current uncertainty caused by changing legislative expectations and the COVID-19 impacts. However, the results perhaps reflect a more settled picture emerging as councils recognise that service quality would suffer if resources as not available to deliver the service.

In addition, the budget situation does appear to be a little less worrying than previous years with some services receiving additional funding, both revenue and capital which as stated previously may be a reflection on the fact service reductions had gone as far as they could without seriously impacting on recycling and residual collection levels, as well as the implications of meeting the new Resources and Waste Strategy. But again, this has to be balanced against the future impacts of COVID-19 and its longer- term effect on wider council budgets.

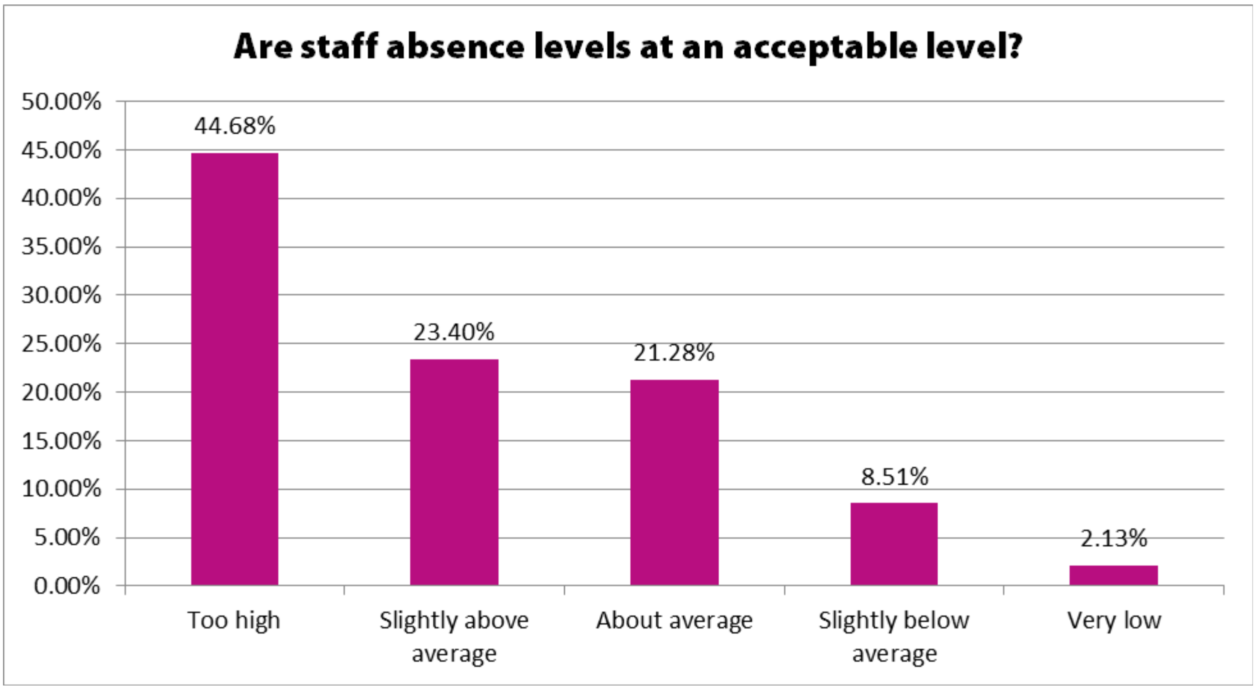
Answer Options	Results from 2021	Results from 2020	Results from 2019
Natural wastage	10.2%	17.2%	18.1%
Recruitment freeze	10.2%	12.1%	7.5%
Voluntary redundancy	6.1%	10.3%	12.8%
Compulsory redundancy	4.1%	1.7%	3.2%
None of these	81.6%	72.4%	74.5%

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



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

Of real significance is that the impression of overall staff absence has got worse. In 2020, 30% reported that staff absence was too high, this has risen to to almost 45% in 2021. Similarly, the view of staff absence being about average has also fallen from 36% in 2020 to 21% in 2021 showing a worrying increase in levels of staff absence. However, when we consider that 2021 has been a period of high COVID rates and increased shielding, these results should not come as any surprise.



With regards to training budgets, 13% envisaged an increase in the training budget over the next 12 months which is a 10% on 2020 perhaps a reflection on the need to upskill staff to be more flexible in events such as COVID. Only 3% stated that their training budget would will decrease as opposed to 5% in 2020. 84% stated that their training budgets were likely to remain the same.

f) Service provision

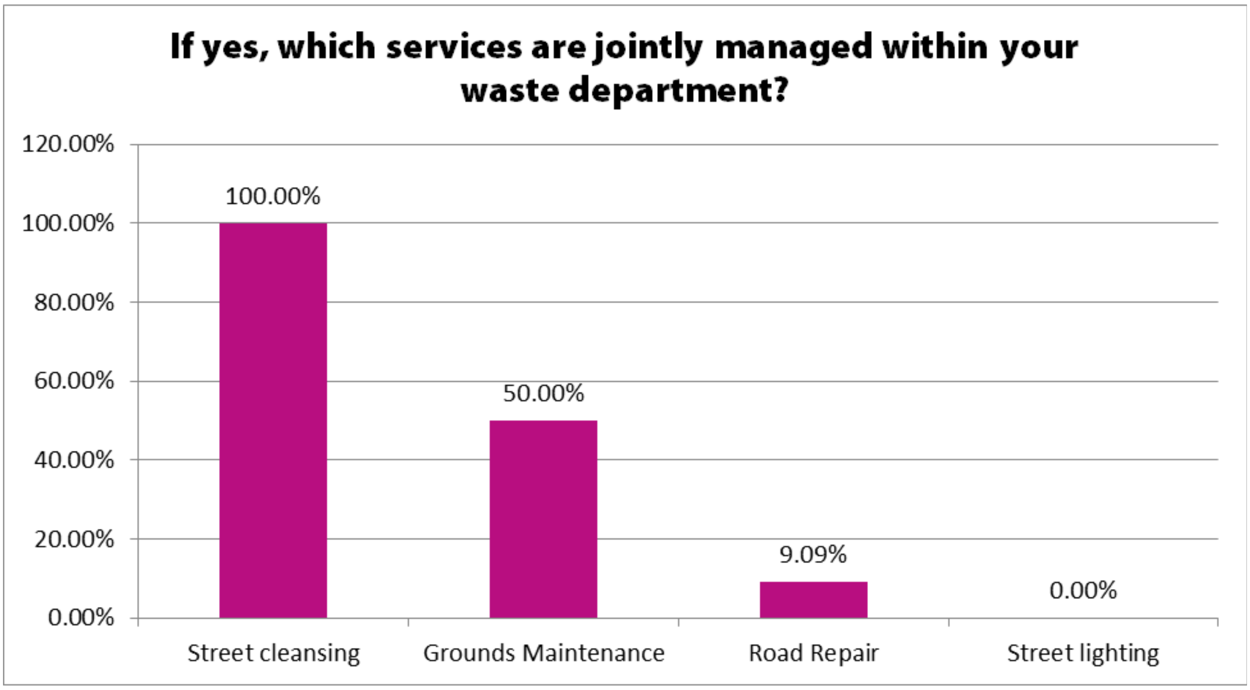
From respondent's information over 82% currently manage their service in-house, approximately 18% have external providers and the remaining percentage operate their services via joint waste operations. Of those who have external contracts, over 58% offer at least a 7-

year contract period and 46% who have external contracts offer the option to extend the contract.

79% of respondents expect their service to be managed in-house over the next 2-3 years which is an increase on 2019 when the figure was 72%. 17% stated that they expected their service to be managed externally, whilst only 2% expected their service to be managed by joint waste authorities.

57% of respondents indicated that their refuse service is integrated with other service areas (44% in 2020).

Of those who reported having integrated services, the table shows those services most commonly integrated with the refuse service.



Of those respondents who indicated that they aren't integrated with other service areas at the moment, 22% expect to become part of an integrated street scene service in the near future which is the same as 2020

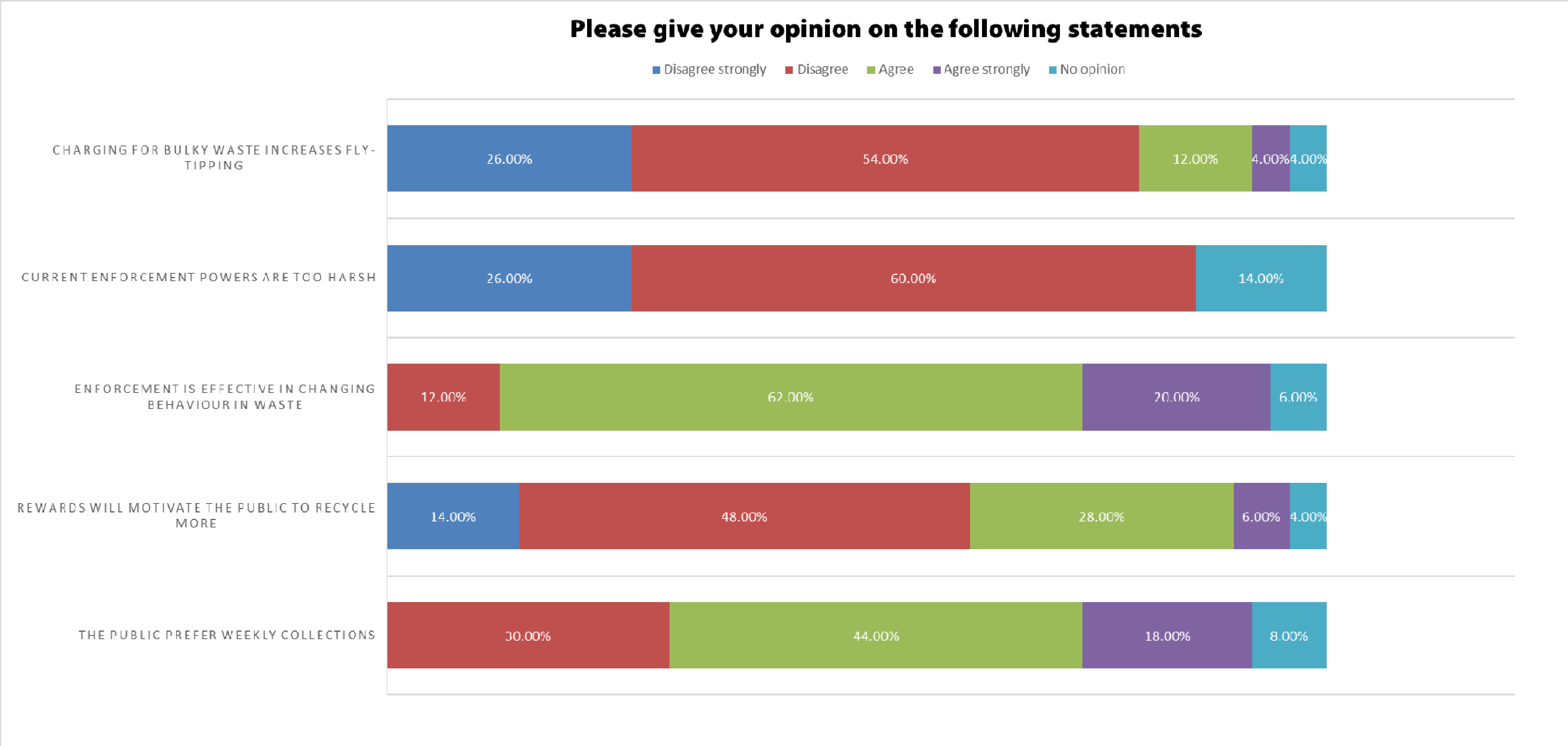
Your opinions

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

From the results it does appear that there is a general view that respondents believe that people should be made responsible for the waste they produce by 86% of respondents stating that they agree, or strongly agree, that enforcement powers are not too harsh and that 82% agree, or strongly agree, that enforcement does help change public behaviour in relation to waste which is a significant increase on 2020 when this figure stood a 67%. Interestingly, 80% of respondents did not agree that charging for bulky waste removal promoted fly-tipping, which suggest they believe as stated previously, that the public should be made responsible for correctly disposing of their waste for which a charge should be made.

Regarding the view of whether rewards are effective in making the public recycle more, 34% agreed with this and 62% disagreed, perhaps a reflection of the difficulty in identifying the rewards which would bring about increased recycling.

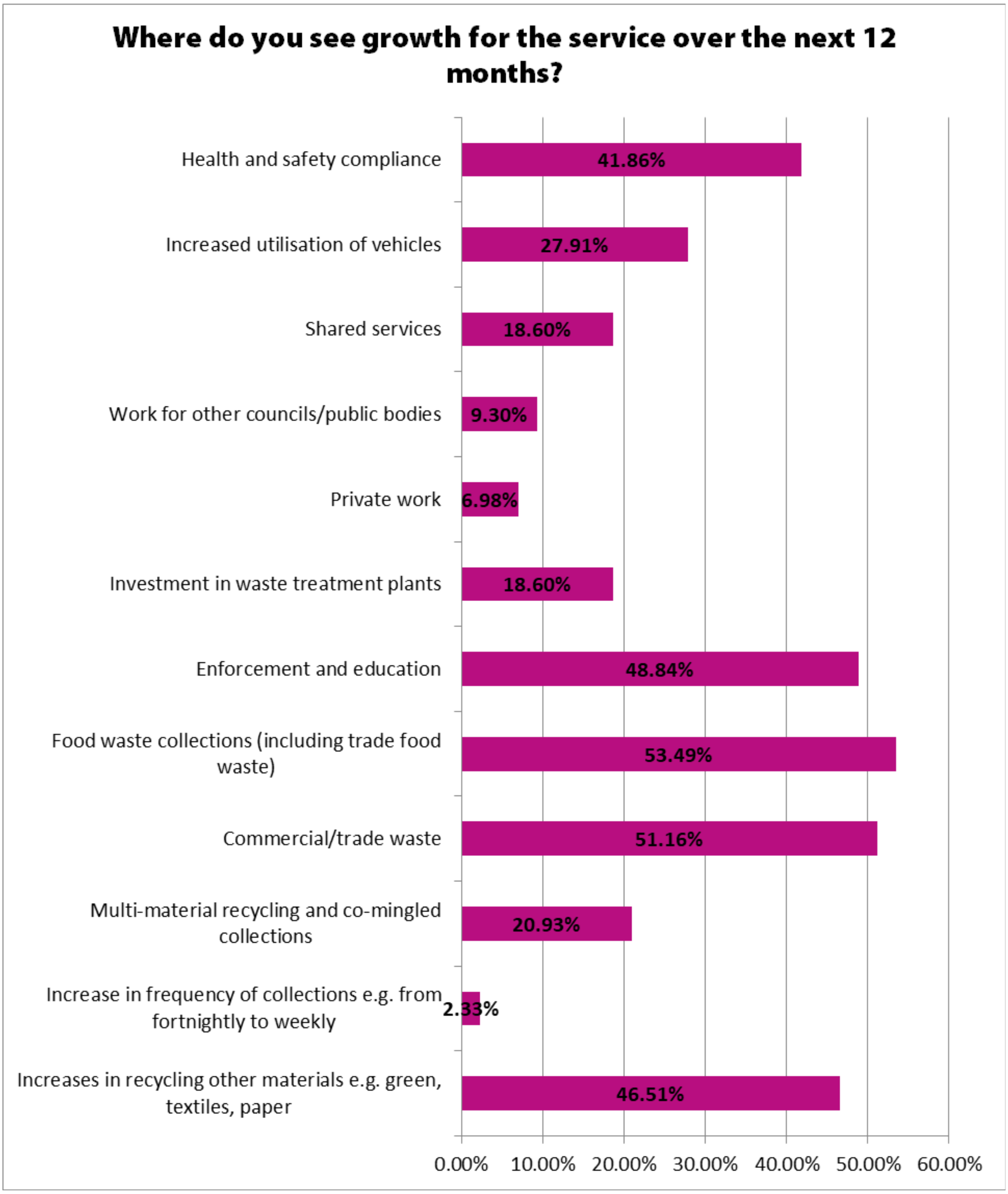
The number who disagree that the public prefer a weekly refuse collection has fallen to only 30% in 2021, whilst 62% say the public would prefer a weekly collection, This low figure may be a reflection of the concern about the greater use of 3 and 4 weekly residual collections and possible public dissatisfaction with the reduced residual waste collection service, but this has to be balanced against increased recycling rates which can be achieved by reducing the frequency of residual waste collections.



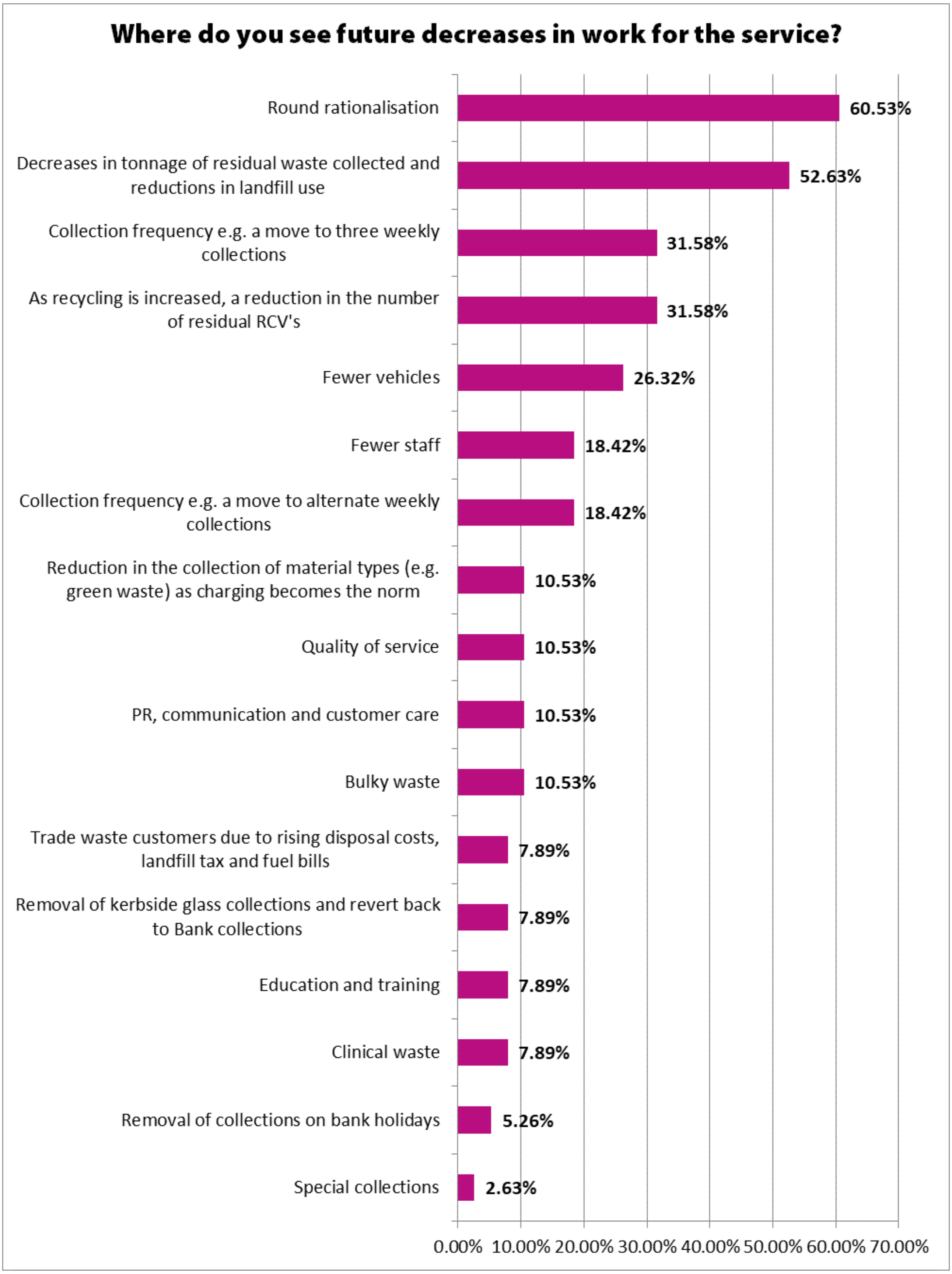
Please give your opinion on the following statements
Disagree strongly
Disagree
Agree
Agree strongly
No opinion
CHARGING FOR BULKY WASTE INCREASES FLY-TIPPING
26.00%
54.00%
12.00%
4.00%
4.00%
CURRENT ENFORCEMENT POWERS ARE TOO HARSH
26.00%
60.00%
14.00%
ENFORCEMENT IS EFFECTIVE IN CHANGING BEHAVIOUR IN WASTE
12.00%
62.00%
20.00%
6.00%
REWARDS WILL MOTIVATE THE PUBLIC TO RECYCLE MORE
14.00%
48.00%
28.00%
6.00%
4.00%
THE PUBLIC PREFER WEEKLY COLLECTIONS
30.00%
44.00%
18.00%
8.00%

g) Future areas of work growth and service reviews

Respondents were asked where they see growth for the service over the next 12 months. 2021 results see little change from 2020 except in the areas of increasing the number of materials collected, in particular food waste collections. However, in the main, many growth areas have remained the same. Health and safety compliance has remained a priority for the coming twelve months as would be expected, but this may also be due to the continuing impact of the pandemic and the need for the safety of staff and the wider workforce and general public.



Respondents were also asked where they see future decreases in work for the service. Those areas where people are expecting reductions in work, relate very much to efficiencies brought about by round rationalisation and reduced frequencies of residual waste collection brought about by the adoption of a three-weekly collection. This reduction is also reflected in the reductions in dealing with residual waste and landfill as recycling collection levels increase.



When asked if respondents had undertaken a service review recently, 34% stated that they have completed this, 32% stated that they have a review which is underway and 26% stated that they will be doing so in the next 1-2 years. 8% said 'no' and they won't be undertaking a review in the next 1-2 years.

Respondents stated that the reviews involved the following:

Route optimisation	**77.50%**
Service re-design	62.50%
Utilisation of vehicles	52.50%
Review of working time/rota's	50.00%
Review of productivity/work study	42.50%
GPS tracking	30.00%
Income generation capacity	30.00%
CRM handhelds	25.00%
Eco drive vehicle monitors	20.00%
Other (please specify)	20.00%
Using systems thinking techniques	10.00%

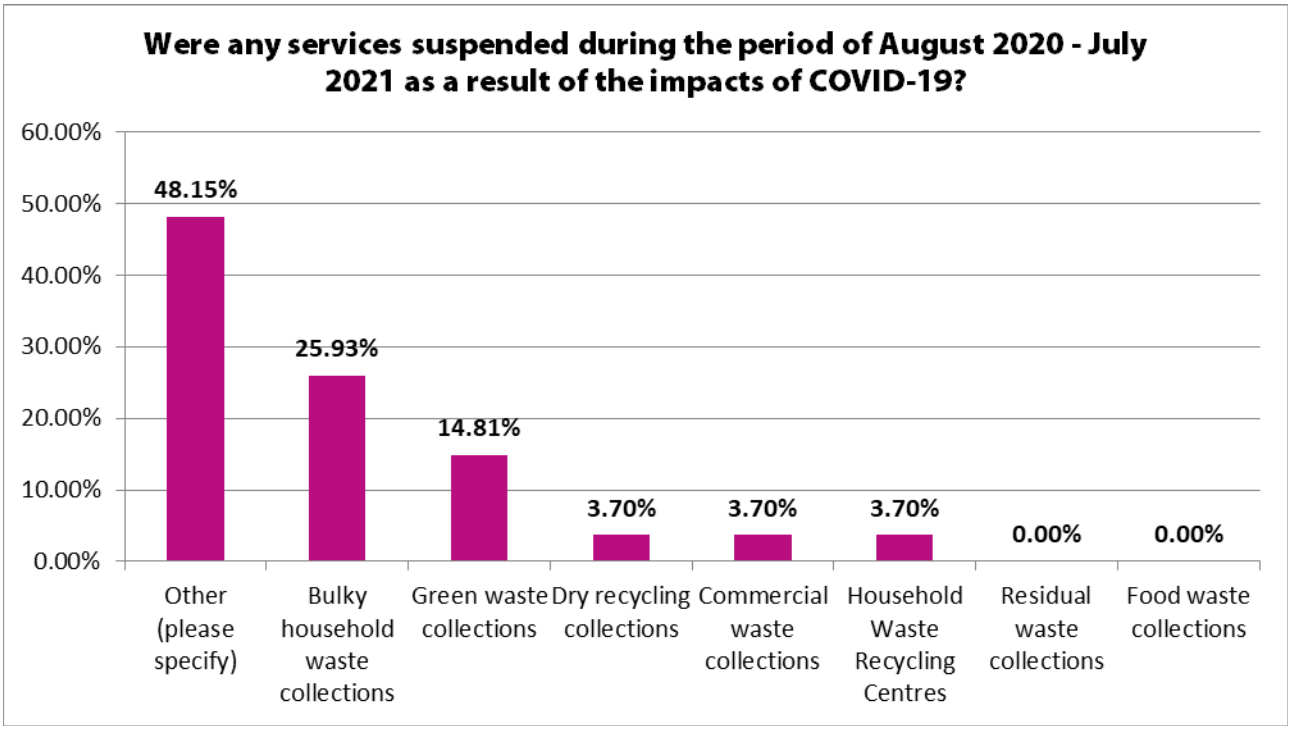
h) The impacts of Covid-19

Clearly some of the information contained within the survey has been collated in pandemic operating conditions. Therefore, the survey has provided the opportunity to include questions relating to how COVID-19 is still impacting on services.

APSE carried out a significant amount of survey work during this period which was shared with members, Government and the media to help assess the impacts of the pandemic.

The APSE report on how services were coping with the pandemic and what procedures they were introducing to remobilise their services may be of interest to members and can be found at the following link https://www.apse.org.uk/apse/index.cfm/news/articles/2020/covid-19-apse-information-hub/remobilisation-reports/waste-refuse-and-street-cleansing/apse-waste-refuse-and-street-cleansing-remobilisation-report/

Results of the questions included in this year's survey which address the impacts of COVID-19 are shown in tabular form.

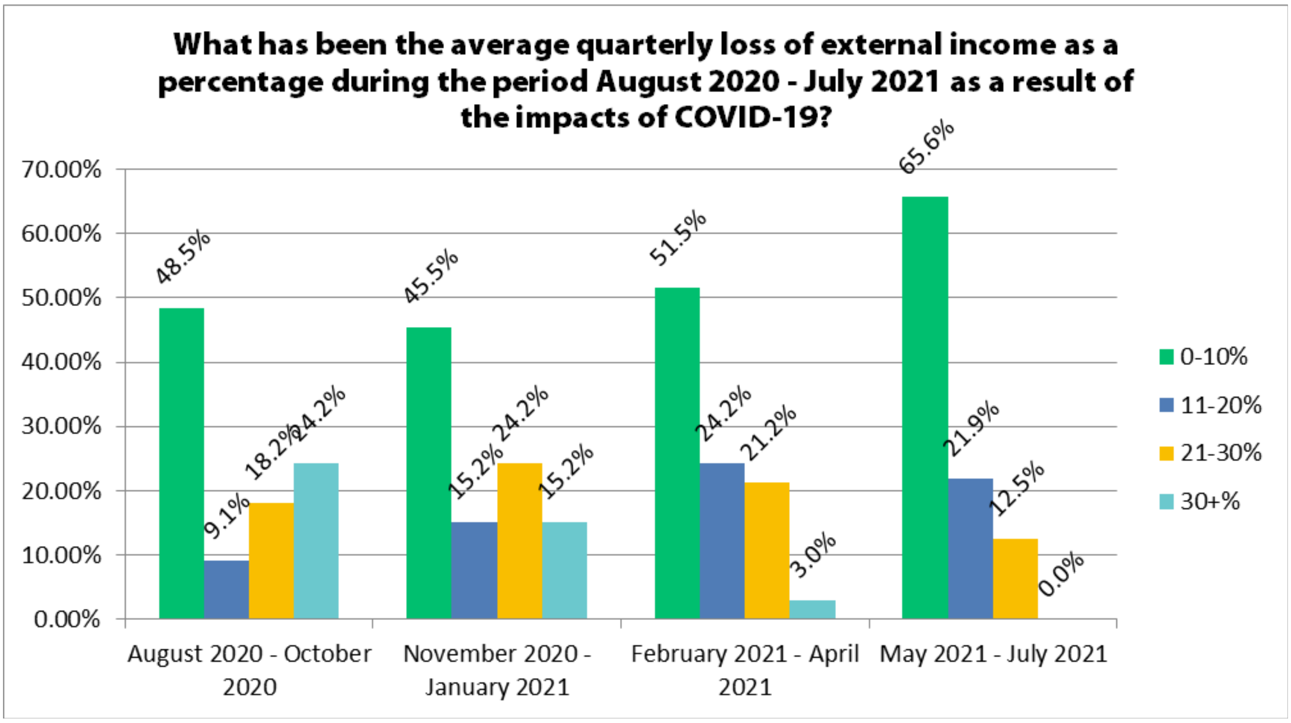


Clearly as in 2020, most councils have concentrated on the delivery of residual and commercial waste collections to ensure both households and businesses did have at least one regular waste collection service.

Most Councils were also able to keep a good deal of their recycling services operational.

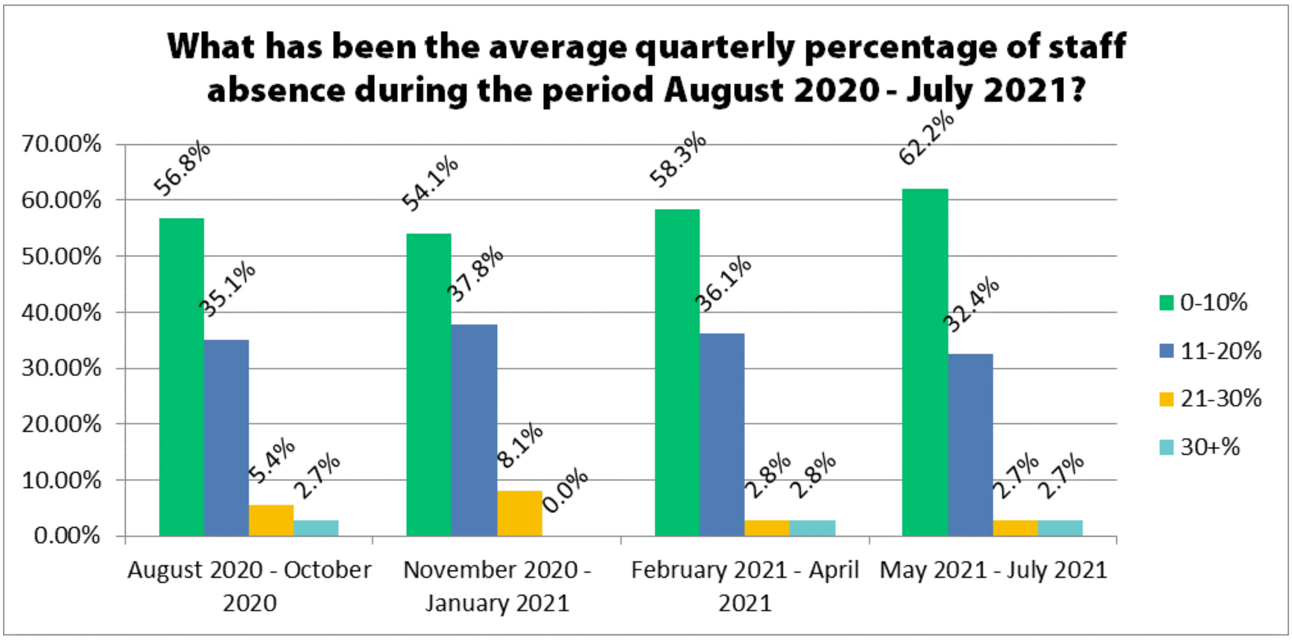
The main services which are still being affected although at a much-reduced level during 2021 green waste collections, and bulky household waste collections.

With regards to loss of income derived from refuse collection and recycling services, the next chart highlights the percentage losses of income over the months August 2020 - July 2021

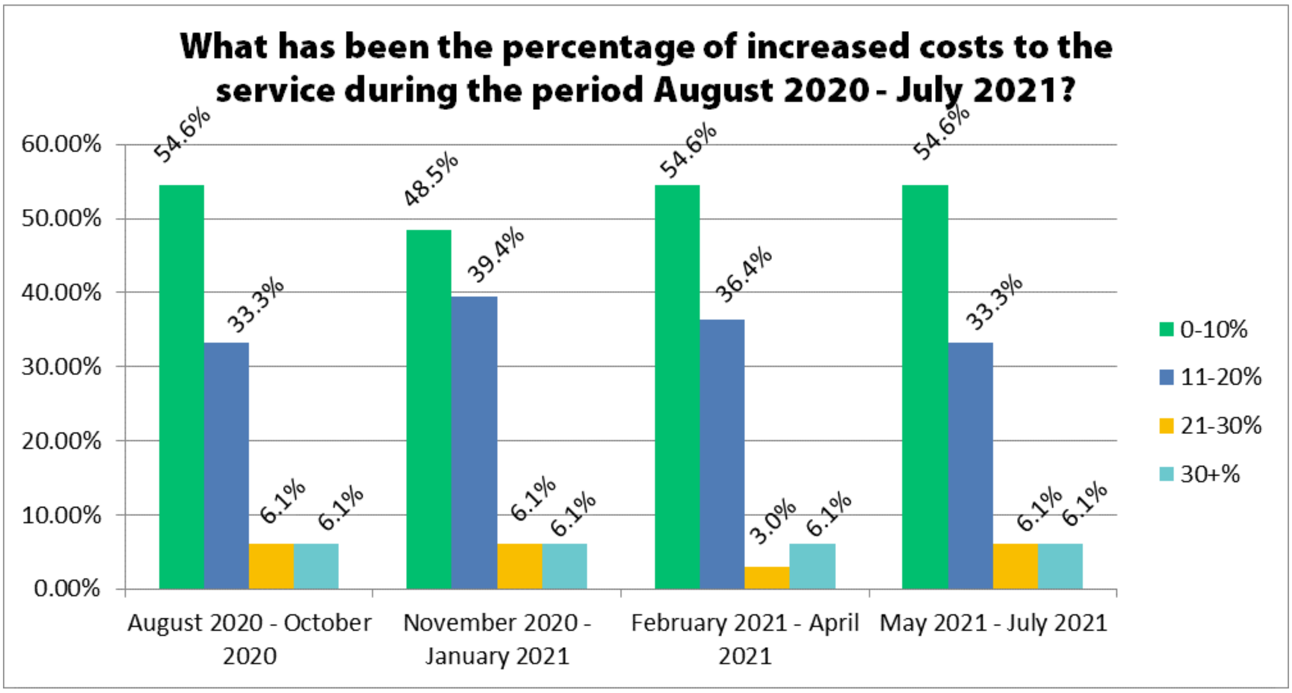


The chart shows that losses of over 30% which were particularly high during 2020 period, have now been largely reduced and the majority of respondents have recorded losses between 0-10% in the late 2020 - mid 2021 period, although a still significant number are still reporting losses of up to 20%. However overall, the raising of income does seem to be returning to some level of normality.

The question and supporting chart, relating to the impacts of COVID-19 on staff absence, has shown that previously in the 2020 survey, almost a third of respondents reported staff absence levels of 30% plus. However, these have been steadily reducing and the 2021 survey results are showing the majority of staff absence levels are now in the 0-10% category.



This year has seen an additional question being asked which is '*What has been the percentage of increased costs to the service delivery during the period August 2020 to July 2021?*'



On average around 50% of respondents reported increased costs of between 0-10% for the period and c. 35% reported increased costs of between 11-20% for the period. The increased costs have largely revolved around operational needs such as recruiting additional staff usually agency, increased vehicle numbers and cleaning costs due to the need to ensure social distancing and the provision of PPE including sanitising materials. Included in these increased costs has been the need to collect increased amounts of non-recyclable waste and its disposal as well as reduced income from commercial waste collections.

APSE comment

It is clear from the survey charts and data relating to the future of services, that whilst reducing service delivery costs and increasing income generation still remains important for service managers across the UK., there are signs that serious consideration is now being given to the impacts of the Resources and Waste Strategy (2018) will have on local authority waste services. It is clear the needs of the strategy are being considered by local authorities without further clarity particularly with regards to the financing of additional waste and recycling collection infrastructure, many are still waiting before actions are taken.

With regards to the collection and recycling of waste, more local authorities are still taking action to reduce their residual collection services via changing the frequency of recyclable waste collections with the aim of both driving up recycling rates, and reducing collection costs. Results for 2021 have shown that of respondents who did reply almost half will be implementing three weekly or monthly residual waste collections in the next 2 years with a view to increasing recycling levels.

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

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

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

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

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

Finally, some of the data supplied by respondents was done so during the current pandemic and as such there has been a reticence to answer all the questions posed due to an uncertainty as to how future budgets will be affected by the impacts of COVID-19. As a consequence, there has been some evidence of a hiatus in decision making for the future. Therefore, the survey's results need to be considered against how future budgetary demands may affect plans which were put in place before the pandemic and whether these will be affordable or deliverable over the coming 12 months.

This survey has shown that many of the extremes in 2020 in relation to staffing absences, service suspension and loss of income have begun to reduce as mass inoculation, revised working procedures, and a return to commercial activities has brought back a degree of normality.

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

The Association for Public Service Excellence

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

Advisory groups are a free service included as part of your authority's membership of APSE.

. If you do not currently receive details about APSE advisory group meetings and would like to be added to our list of contacts for your service area, please email enquiries@apse.org.uk.

Our national advisory groups include:

Facilities Management & Building Cleaning

Catering

Cemeteries and Crematoria Services

Climate Change and Renewable Energy network

Environmental Health

Housing and Building Maintenance

Commercialisation network

Parks and Horticulture

Roads, highways and street lighting

Sports and Leisure

Vehicle maintenance and transport

Waste, Refuse and Street scene

If you require any further information on the findings of this State of the Market survey 2021, please contact Wayne Priestley Principal Advisor for Environmental Services at wpriestley@apse.org.uk