

GOVERNANCE & AUDIT COMMITTEE: 29 NOVEMBER 2022

FOLLOW-UP WASTE MANAGEMENT REVIEW

AGENDA ITEM: 5.1

REPORT OF THE DIRECTOR OF ECONOMIC DEVELOPMENT

Reason for this Report

1. This report has been produced to enable the Governance and Audit Committee to review a report that has been published by Audit Wales in respect of recycling performance, and to consider the management response.
2. The report is provided in respect of the Committee's role to:
 - Consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.
 - Consider relevant reports, and specific reports as agreed with the external auditors.
 - Comment on the scope and depth of external audit work and to ensure it gives value for money.

Background

3. Cardiff council's waste management service has undergone significant governance and audit review since 2017/18 to make improvements to the service and to address some long-standing operational issues related to budget management, health and safety, sickness absence and management and business controls. This work carried out by internal audit resulted in 92 audit actions, with a further 51 audit actions arising from further follow up audits. Work has progressed to align the operations with Council procedures through ongoing management review and monitoring and now has only 5 outstanding internal audit actions open, and these are due to be closed by December 2022.
4. As part of this fundamental review of the service, in March 2020 Audit Wales completed a review of the Council's plans to reduce waste and achieve the national recycling targets. During this review Audit Wales noted that work had commenced with the Waste & Resources Action Programme (WRAP), Local Partnerships and Welsh Government to look at an operating model to inform the development of an appropriate approach in Cardiff. Correspondence by Audit Wales (**Appendix A**) was presented to Cardiff Council with several considerations made to the Council with regards to the development of the Waste Recycling Strategy. These were accepted:
 - Ensure the waste strategy:

- is sufficiently long-term, so that it sets out plans to reach the existing 70% recycling target for 2024-25 and looks beyond taking into account policy developments from Welsh Government on waste and a circular economy;
 - reflects wider social, economic and environmental goals and supports the Council's wider objectives. For example, the waste strategy could look at how the council corporately could act to support the development of a circular economy by leading by example and supporting infrastructure which supports the reuse of materials;
 - considers waste reduction and waste prevention. The Council might find it helpful to look at our three reports on waste, which includes one specifically on waste prevention; and
 - takes into account any learning from how the service and Council has operated and adjusted during the Covid pandemic.
- Develop a project plan setting out how it is going to implement its forthcoming strategy, including a timetable for making decisions and how it will involve the diversity of the population.
 - Identify the sources of funding required to implement the forthcoming strategy and factor these into the Council's medium term financial plan.

Issues

5. The Council has continued to work closely with the Welsh Government and the Waste and Resources Action Programme (WRAP) to demonstrate its commitment to meeting the statutory targets. A segregated recycling pilot was undertaken across 4,000 homes in the city during January 2022 and a compositional analysis of household and Trade waste in Cardiff. The findings of these exercises informed the development of a new Recycling Strategy 2022-25: 'Cleaner and Greener'. In September 2022 the Recycling Strategy was considered by Cabinet (**Appendix B**) and approved.
6. The main objectives of the strategy are to:
 - Improve material quality
 - Increase recycling participation and capture of priority materials
 - Increase opportunities for communities and residents to recycle
 - Make use of all available data, to develop targeted actions
 - Reduce single use plastics
 - Encourage and support the prevention, reuse and repair of materials
 - Contribute towards developing a circular economy within Wales
 - Improve the Street Scene cleanliness across
7. The main programme of change is as follows:
 - Expand segregated recycling to households (excluding flats and HMO's) using re-usable sacks and caddies to reduce the need for single use plastic bags.
 - Review the expansion of kerbside collection services to cover items currently not collected at the kerbside.
 - Prioritise education and enforcement of food recycling to improve participation in the existing service and improve the current 62% capture.

- Review of approaches to reduce residual waste to support improving compliance for recycling.
 - Develop the business case to move from a Material Recovery Facility to a Material Handling Facility required to manage segregated recycling.
 - Improve recycling in flats and HMO's by the use of pilots to inform the business case and modelling for recycling from these properties.
 - Develop the business case for Recycling Centres and Re-Use Centres across Cardiff.
 - Deliver improvements to Street Scene Services to support improvements in cleansing and enforcement following collections.
 - Improvements to the trade / business waste model to improve recycling and meet new legislative requirements.
 - Identification of wider Council / service area change to value resources and minimise the Council's impact on climate change.
8. In March 2022 Audit Wales undertook a follow up review of the Council's plans to reduce waste and improve its recycling performance to achieve the national recycling targets. All recommendations were agreed and a copy of the report is contained within **Appendix C** and is accompanied by the management response in **Appendix D**.

Legal Implications

9. As the recommendations in this report are to consider and note matters, there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications.

Financial Implications

10. The financial implications (if any) arising from this report have been contained within the body of the report.

RECOMMENDATIONS

That the Governance and Audit committee considers and notes the contents of the report and appendices.

Neil Hanratty
Director of Economic Development

The following is attached:

Appendix A: 1841A2020-21 Correspondence from Audit Wales to Cardiff Council

Appendix C: [3205A2022 Waste Management Audit Wales Report](#)

Appendix D: Management Response 2022

Background Papers

Appendix B: [Cabinet Report – September 2022](#)