



**St. Helens Council**

**Audit Report 2012/13**

**Merseyside Recycling & Waste Authority**

**Waste Prevention Programme**

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## St. Helens Council

### **EXECUTIVE SUMMARY**

#### **Merseyside Recycling & Waste Authority**

#### **Waste Prevention Programme**

#### **Scope**

As part of the 2012/13 Audit Plan, a review of the Waste Prevention Programme has been undertaken, to provide an assurance that appropriate procedures have been adhered to and all relevant Members / Senior Management have been consulted.

#### **Background**

A Joint Municipal Waste Management Strategy (JMWMS) was developed in 2005 by Merseyside Waste Disposal Authority and was updated in 2008, as the National emphasis moved from preventing waste going into landfill to minimising the amount of waste being generated. The Authority initially reviewed the current legislation and best practices with a view to incorporating this into a joint strategy for themselves and the five District Councils. Halton Council has a separate but aligned Strategy.

In February 2009, the updated JMWMS was presented to the Authority's Management Board detailing the various options available and included the Waste Prevention Strategy for Merseyside 2008 as Supplementary Report One.

In 2010/11 a full review of the JMWMS was completed and incorporated best practice and current legislation. Following a full public consultation and Strategic Environmental Assessment, the draft Joint Recycling and Waste Management Strategy (JRWMS) 2012 was approved by MRWA and all five District Councils with ratification completed by their Members in October 2012.

#### **Budget**

There is an indicative budget allocation of £200k per annum for activities to support the Waste Prevention Programme.

#### **Audit Opinion**

Our overall opinion following the review is that whilst the control environment is generally sound, we have identified areas for improvement and have therefore, included a number of recommendations that will improve the control environment.

There is a sound strategy in place for the Waste Prevention programme which has been subject to a full consultation and approval process.

**Key Issues**

No key issues were identified during this review.

**Agreed Action**

Actions to address the recommendations are contained in the Action Plan, which has been agreed with the Director of Strategy and Development and the Director of Finance.

## INTERNAL AUDIT REPORT

### Waste Prevention Programme

#### 1.0 Objectives

To ensure that the following control objectives are being achieved: -

1. That consideration has been given to the development and implementation of a Waste Prevention Programme;
2. That there are suitable monitoring and performance arrangements in place;
3. Suitable budgetary controls exist and are supported by effective monitoring.

The period under review was the financial year 2011/12 and the first three months of the financial year 2012/13. Whilst we appreciate that Waste Prevention is a new approach with very little information available to assist Authorities, we need to consider what has been completed in the period under review. Therefore, the purpose of this review is to consider what value has been added as a consequence of the various initiatives having been undertaken.

#### 2.0 Conclusions & Recommendations

##### 2.1 That consideration has been given to the development and implementation of a Waste Prevention Programme.

2.1.1 This objective has not fully been met.

2.1.2 The review has confirmed that the Authority have produced the following strategies since 2005:-

- In 2005 the Authority produced the Joint Municipal Waste Management Strategy (JMWMS) aimed at reducing the amount of waste that entered landfill sites. The aim of the Strategy was to consider new ways of recycling waste and ultimately reduce the amount of waste entering landfill;
- In 2008, this JMWMS was updated and included a Waste Prevention Strategy for Merseyside as Supplementary Report One. This included emphasis on moving away from preventing waste going into landfill sites via recycling. Instead the National opinion was to look at actually reducing the amount of waste being produced;
- During 2010/12, the Authority produced a draft Joint Recycling and Waste Management Strategy (JRWMS) with the focus being to move waste management higher up the Waste Hierarchy (as required under the Waste England and Wales Regulations) 2011 by supporting activities on waste prevention, re-use, recycling and composting. The draft was subsequently approved by all Districts and published in October 2012.

2.1.3 We reviewed each of the above strategies to establish the consultation and approval process. We confirmed that each strategy was presented to the Authority's management Board several times prior to being approved. We confirmed that there was a suitable audit trail in place to confirm that the Authority's Management Board Members had been consulted at each stage and the views and opinions of Members had been obtained through workshop exercises. We verified that all target setting exercises had been undertaken by Members with the support and guidance of the Senior Management Team.

- 2.1.4 We reviewed the minutes of the Authority Management Board meetings and confirmed that all strategies had been presented and approved. Within the minutes there was evidence to demonstrate that Members had carried out target setting exercises and that the agreed targets had been out to public consultation.
- 2.1.5 Within the individual strategy files we confirmed that there was documentation to demonstrate that workshop groups had been facilitated by Senior Management Team and the Members. However, the files retained by the Section, did not contain any evidence to support that the general public had been consulted during the drafting of the Strategies. The Strategy Manager however, provided audit with a link to the Internet where the evidence of public consultation had been retained.
- 2.1.6 The Waste Strategy Manager confirmed that all evidence around the consultation with the public was carried out by external consultants and because of the way the information was obtained the consultants have retained the data in order to comply with data protection legislation.
- 2.1.7 A review of the JRWMS, confirmed the Section has incorporated the opinions of all the key partners within Merseyside on how to deliver a sustainable waste and resource management programme. The document has considered how new challenges and future issues could affect the way the Authority and partners needs to deal with waste in a changing environment.
- 2.1.8 The main themes coming out of the document is how the Authority can more effectively use waste as a valuable resource, minimise the waste being produced, or stop waste being produced in the first place. The Strategy also considers the broader environmental challenges facing MWRA around sustainable waste management, climate change and reducing carbon emissions, whilst still providing a service that the stakeholders of Merseyside will consider being value for money.
- 2.1.9 From the review of the document, we noted a number of targets had been set, and an action plan was included in the Supplementary Report: Waste Prevention Action Plan August 2011. However, no formal dates had been set and appropriate monitoring carried out to ensure actions had been completed within the agreed timescale.

#### *Recommendations*

1. *To comply with the Data Protection Act, the Waste Strategy Manager should consider the wording on future correspondence between outside Consultants and MRWA to ensure that all data collected can be shared and retained by both parties.*
2. *Targets should be included in a formal plan which should be monitored to ensure all targets are completed within the agreed timescale.*

## **2.2 That there are suitable monitoring and performance arrangements in place.**

- 2.2.1 This objective has not been fully complied with.
- 2.2.2 The review confirmed that the Waste Strategy Team is responsible for the monitoring of progress against the various Waste Prevention Programmes that have been produced since 2005. We confirmed that the various strategies included agreed targets that have been set by the Authority's Management Board.

- 2.2.3 We reviewed the targets set and noted in a number of cases targets were challenging but deliverable. We also noted that monitoring of these targets would not be easy as the reductions in waste could not purely be down to the campaign undertaken, but could be due to a number of other external factors.
- 2.2.4 One of the targets we reviewed was for the Love Food Hate Waste (LFHW) campaign that has been running for two years by MRWA. The Campaign has involved a number of radio and newspaper advertisements and several road shows throughout the Merseyside region.
- 2.2.5 Currently there is no one system available that can accurately calculate what savings have been made from the introduction of a specific campaign. The Authority joined a consortium of Local Authorities in the development of a Waste Prevention and Carbon Tool Kit. This Tool and consortium includes support provided by the Department for Environment, Food and Rural Affairs (DEFRA) and Waste Resources Action Programme (WRAP), to assist Authorities in gauging what savings and benefits have been achieved through waste prevention actions.
- 2.2.6 The Authority has used the Tool Kit to assess what savings have been made as a result of specific advertising campaigns. The Tool Kit uses default data to provide indicative figures and has calculated that the Merseyside and Halton LFHW campaign has diverted approximately 5,000 tonnes from going into landfill at a saving of £360,000 in landfill tax. Also it has estimated that £24,000 had been saved in carbon dioxide savings.
- 2.2.7 In our opinion the Tool Kit cannot give assurance that the savings incurred are solely due to the campaign as they cannot be evidenced or verified but are based on best available national data. The campaign may well have contributed to the savings but cannot be demonstrated. MRWA are aware of the limitations of the Tool Kit and the Waste Strategy Manager indicated that as a member of the Tool Kit Steering group, are developing research and case studies which can inform the Tool Kit nationally.
- 2.2.8 From the Roadshows the Team have obtained a list of e-mail addresses from people within Merseyside who wish to increase the amount of recycling they carry out. Testing confirmed that this list has increased during the two years and the Authority are now sending newsletters out via e-mail.
- 2.2.9 The Liverpool and Daily Echo Group set up a World Website to provide helpful advice on recycling and a link to MRWA's website. The Waste Strategy Manager confirmed that the Section were intending to monitor hits on MRWA's website. However, the review identified that the monthly monitoring started several months after MRWA's website had been set up. The review also noted that the Team are not monitoring what campaigns have taken place during the month and what effect if any, the campaign has had on the website / enquires.
- 2.2.10 The Waste Strategy Manager confirmed that currently there is no formal reporting process for providing Members with information on how well the individual campaigns are doing. We consider that the Members should be provided with monitoring reports during the year to assist them in considering what benefit the strategies / individual campaigns are providing.
- 2.2.11 At present, the Waste Strategy Team only reports the monitoring information to the Partnership Senior Officers Working Group (SOWG) and the Waste Awareness Projects Team (WAPT). Currently Authority Members only receive an annual report outlining performance against the JRWMS.

2.2.12 The review has noted that the monitoring information currently being gathered by MRWA, is now being filtered down to the individual Districts via the SOWG and WAPT meetings.

*Recommendations*

3. *Consideration should be give to the following recommendations around the monitoring of website activities:-*
  - a. *That data in relation to the number of times the individual websites are accessed should be captured on a monthly basis and provided to Senior Management.*
  - b. *The Waste Strategy Team should analyse the website access activity to determine the effect of advertising campaigns on waste prevention.*
4. *Authority Members should be provided with six monthly reports detailing campaigns / monitoring results.*
5. *Prior to the setting of the 2014/15 budget, an evaluation should be undertaken of the full waste prevention programme.*

### **2.3 Suitable budgetary controls exist and are supported by effective monitoring**

2.3.1 This control objective is not being achieved.

2.3.2 The Waste Strategy Manager confirmed that he receives a budget monitor on a monthly basis and any anomalies are highlighted. The Waste Strategy Assistant will e-mail any amendments required, but the e-mail and budget monitor report are then destroyed. Therefore, we were unable to comment on the level of monitoring that is taking place.

2.3.3 The review has highlighted that the Section have received a budget of £200,000 in 2011/12, but the Team only spent £131,000 resulting in an under spend of £69,000. The Waste Strategy Manager confirmed that this under spend was in part because suitable waste prevention projects were not forthcoming from the District Councils to the levels anticipated and secondly, a number of projects submitted were not accepted on the grounds of not demonstrating value for money. We consider that the District Councils should be encouraged to come forward with new projects as this will result in waste prevention opportunities being maximised through the budget being fully spent.

2.3.4 We reviewed a sample of payments and confirmed that all expenditure was relevant and invoices had been appropriately authorised. We reviewed a number of suppliers and confirmed that consideration to achieving value for money had been evidenced, where applicable.

2.3.5 The Waste Strategy Manager indicated that the 2012/13 annual budget of £200,000 would be fully utilised this year, with greater experience in the delivery of projects and with a number of joint projects supported by the District Councils. During the course of the review, we have confirmed that this has been the case.

- 2.3.6 We noted a Waste Prevention Spreadsheet is maintained by the Team to record progress against budget. Testing identified that the spreadsheet was not being kept up to date. The Waste Strategy Manager acknowledged this as an issue at the time of the review.
- 2.3.7 The Waste Strategy Manager confirmed that the Team use Project Initiation Documents (PID) to cost out projects. However testing highlighted that PID's are only being used in a small number of cases. We consider that the PID's should be used for each project and the responsible officer should sign the Plan.

*Recommendations*

6. *Budget monitors and e-mails should be retained by the Team to evidence review.*
7. *The Waste Strategy Team ensure the Waste Prevention Spreadsheet is kept up to date.*
8. *The Team should use PID's for all projects and that the responsible officer signs the document.*



**3.0 Action Plan****Merseyside Recycling & Waste Authority**

Rec. No.	Recommendation	Responsible Officer	Agreed Action and Date of Implementation	Actual Implementation Date
1	To comply with the Data Protection Act, the Waste Strategy Manager should consider the wording on future correspondence between outside Consultants and MRWA to ensure that all data collected can be shared and retained by both parties.	Waste Strategy Manager	To be considered on a case by case basis as advised by the Authority's Data Controller and (as required) monitoring Officer.  With Immediate Effect	
2	Targets should be included in a formal plan which should be monitored to ensure all targets are completed within the agreed timescale.	Waste Strategy Manager (target Setting) Waste Prevention & Sustainability Officer (Monitoring)	Target to be set in annual waste strategy service plan. Monthly monitoring and annual reporting in April 2014  Implemented	19/04/13
3	Consideration should be give to the following recommendations around the monitoring of website activities:-  a. That data in relation to the number of times the individual websites are accessed should be captured on a monthly basis and provided to Senior Management.  b. The Waste Strategy Team should analyse the website access activity to determine the effect of advertising campaigns on waste prevention.	PR & Communications Officer  Assistant Waste Strategy Manager	Detailed monthly monitoring of Recycle for Merseyside & Halton website against agreed data sets from June 2013 and including in quarterly Performance Reports from September 2013  June 2013	
Rec. No.	Recommendation	Responsible Officer	Agreed Action and Date of Implementation	Actual Implementation Date

4	Authority Members should be provided with six monthly reports detailing campaigns / monitoring results.	Chief Executive	17 <sup>th</sup> June 2013	
5	Prior to the setting of the 2014/15 budget, an evaluation should be undertaken of the full waste prevention programme.	Waste Strategy Manager	Evaluation project scope to be developed in June 2013 and reported on advance of budget setting for 2014/15.	
6	Budget monitors and e-mails should be retained by the Team to evidence review.	Assistant Waste Strategy Manager	Ongoing from April 2013	
7	The Waste Strategy Team ensure the Waste Prevention Spreadsheet is kept up to date.	Waste Prevention & Sustainability Officer	Ongoing from April 2013	
8	The Team should use PID's for all projects and that the responsible officer signs the document.	Waste Strategy Manager	Ongoing from April 2013	