



Llywodraeth Cymru
Welsh Government

23/01/2019

Dear Adrian

**Response to the Report of the Wales Audit Office on Waste Management in Wales:
Municipal Recycling**

I welcome publication of the above report and am pleased to set out the Welsh Government's response to the four recommendations at Annex A.

With best wishes.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Slade'.

Andrew Slade
Director General
Economy, Skills and Natural Resources

Recommendation 1

The Welsh Government should work with councils to understand better the basis of the variation in spending on waste management services that are fundamentally the same and ensure that waste management costs are accounted for in a consistent way.

Response: Accepted

The Welsh Government funds the Welsh Local Government Association (WLGA) to collect financial data from Local Authorities through its Waste Improvement Programme (WIP). The information collected by WLGA is published as annual financial data on its website.

Consistency of reporting financial information is important but also difficult to ensure, as the WAO will know from its participation in the waste benchmarking group for several years. The Welsh Government will work with Local Authorities, WLGA, the Waste and Resources Action Programme (WRAP) and others to improve the consistency of reporting on the costs of waste management services. This will include analysis to better understand variations in costs and performance in Local Authority waste services, including factors such as service configurations, demographics and rurality.

The Welsh Government will progress this work over the next two years with a view to publishing an assessment in spring 2021.

Recommendation 2

When undertaking its further analysis to understand better the reasons for differences in councils' reported costs, and the impact on costs where councils have adopted the Collections Blueprint, we recommend that the Welsh Government:

- *explores how the cost of collecting dry recyclables may affect the overall cost of providing kerbside waste management services to households; and*
- *compares the actual costs with the costs modelled previously as part of the Welsh Government – commissioned review of the Collections Blueprint for councils that now operate the Collections Blueprint.*

Response: Accepted

The Welsh Government will work with Local Authorities, the WLGA and the WRAP Collaborative Change Programme (CCP) team to look at the costs of dry recyclable collections, food waste collections and other kerbside waste management services to households.

The Welsh Government will work with the WRAP CCP team to compare the modelling of costs prior to service changes and the actual costs of services after changes are made. This will include a review of the costs of Local Authorities which are now operating services aligned with the Collections Blueprint.

The Welsh Government will progress this work over the next two years with a view to publishing an assessment in spring 2021. The assessment will include additional Local Authorities which have switched to the Collections Blueprint and will also attempt to take account of the difference between short-term spikes in costs/performance relative to those encountered in more mature services.

Recommendation 3

We recommend that the Welsh Government replace or complement the current target to recycle, compost and reuse wastes with performance measures to refocus recycling on the waste resources that have the largest impact on carbon reduction, and/or are scarce. We recognise that the Welsh Government may need to consider the affordability of data collection for any alternative means of measurement.

Response: Accepted

This will be considered as part of the Consultation on the Review of 'Towards Zero Waste' in 2019. This will include a consideration of the affordability of the necessary data gathering for any alternative means of measurement.

Recommendation 4

The Welsh Government should demonstrate in the revised waste strategy that not only is it possible to recycle a greater proportion of municipal waste, but how doing so maximises its contribution to achieving its sustainable development objectives.

Response: Accepted

The consultation on a revised waste strategy and development of a circular economy route map will be accompanied by an Integrated Impact Assessment that will include how the proposed policies and targets will maximise the contribution towards the seven goals set under the Well-being of Future Generations Act.

This work will be completed during 2019.