



## Department for Communities and Local Government

### Weekly Collection Support Scheme: announcement of successful bids - frequently asked questions

**1. How many households will receive a weekly collection of residual waste through the Weekly Collection Support Scheme?**

Just over 6.2 million households will receive a weekly collection of residual waste alongside many new recycling schemes through our fund.

**2. Is it all about weekly collections or shall we see successful bidders deliver environmental improvements as well?**

The fund, launched in February, encourages councils to focus on: better weekly collections; environmental improvements; and better use of innovative ideas or technology that help residents to recycle more and do their bit for the environment.

In nearly all cases, successful bids propose delivering enhanced recycling services, making it easier for residents to recycle. All successful bids will deliver environmental benefits. The scheme demonstrates that you don't have to have a fortnightly collection to deliver high quality recycling services.

The schemes supported by the fund will also save over one million tonnes of greenhouse gas emissions by recycling an estimated 408,547 tonnes of waste.

### Successful bids

**3. How many bids secured funding from the Weekly Collection Support Scheme?**

90 bids have successfully achieved funding from the Weekly Collection Support Scheme. The successful bids come from a mix of areas including urban towns and cities and rural districts. They represent a geographical spread including a number of London boroughs, Allerdale and North Tyneside in the North, Birmingham and Oadby and Wigston in the Midlands, Poole and Cornwall in the South West, and Milton Keynes and Brighton and Hove in the South East.

**4. What did a bid have to look like in order to be successful?**

Successful bids scored best against the Scheme's four criteria, demonstrating:

- a commitment to provide weekly waste collections;
- environmental benefits;
- cost effectiveness for the planned service improvements; and
- innovative ideas for waste collection and recycling that will transform waste collection for the better in this country.

## Unsuccessful bids

### **5. How many bids were unsuccessful in securing funding from the Weekly Collection Support Scheme and why were they unsuccessful?**

40 bids were unsuccessful in securing funding from the Scheme. We received 130 bids for funding totalling £345m and since the Scheme has committed to spending up to £250m on weekly collections, this led to a competitive process and not all bids could be successful. Those that were unsuccessful either failed on one or more of the 'minimum criteria' or simply did not score as highly against all of Scheme's criteria.

### **6. What were these criteria?**

There are three core criteria which each bid must satisfy in order to be considered successful. Each proposal must:

- deliver a weekly collection of residual household waste to residents and in addition recyclables, or, where an authority already operates a fortnightly collection of residual household waste and they can credibly demonstrate that this represents the preference of local people, the addition of a weekly food waste (or organic) collection;
- deliver value for money (in terms of cost effectiveness); and,
- deliver an environmental benefit over current performance.

Bids were also scored on innovation, and feasibility checks were applied.

### **7. Why would a bid fail as a result of their commitment to weekly collections score?**

Some bids failed to demonstrate a five year commitment to retaining a weekly collection of household waste, as defined in the Scheme Prospectus. Bids scored better where they offered a comprehensive service to residents.

### **8. Why might one bid not score as highly as another on the cost effectiveness score?**

A bid will have scored less highly if the financial information set out was insufficient for an accurate assessment of cost-effectiveness. For example, there might not have been a breakdown of costs, the unit costs used to calculate the bid were in excess of industry standard, or, given the information provided, it appeared that the bid was not funded adequately to enable its successful implementation.

Bids scored better where: all financial aspects of the bid were prepared using widely recognised unit costs and supported the achievement of industry standard key metrics; they were funded adequately to enable successful implementation; they provided sufficient evidence of how the requested level of funding would support the objectives of the WCSS; and all cost calculations were clearly set out and properly cross-referenced to the overall bid sum.

### **9. Why would a bid fail as a result of their environmental benefit score?**

A bid failed if it was not able to identify at least one of the following environmental improvements:

- a net reduction in the carbon impact of waste management activities over the 5 years of the project compared to the counterfactual (i.e. what would happen

if the bid was not successful). Carbon savings could result from sending less waste to landfill, recycling more or reducing waste arisings

- less waste would be sent to landfill compared to the baseline year
- a higher recycling rate would be achieved compared to the baseline year

#### **10. What were the three 'minimum tests'?**

The three minimum tests refer to the following:

- the required frequency of weekly collections (as defined in the collection hierarchy on page 9 of the Prospectus);
- the requirement to demonstrate an environmental improvement with the bid relative to current performance based on at least one of the following three tests: a reduction in CO<sub>2</sub> equivalent emissions; a reduction in waste disposal to landfill, or an increase in recycling.
- the requirement to demonstrate a minimum level of cost effectiveness as judged against industry standards. A bid could have been deemed a fail to be cost effective if it did not provide any additionality - i.e. it was funding activity that would have taken place without the funding anyway. A bid would have been disqualified where a LA had already publicly committed to spending all the money that it is seeking funding for from the scheme.

#### **11. What was the test of additionality?**

All bids had to demonstrate reasonable evidence that funding would support additional activity, rather than activity that would progress anyway. Successful bids provided evidence that their bids would fund service improvements, for example by increasing affordability and sustainability of the chosen service configuration, or by adding an additional recycling collection.

## **Bid assessment and scoring**

#### **12. How did the assessment and scoring process work?**

Bids were assessed and scored in five broad stages:

- each bid was subjected to minimum tests against the 3 core criteria - collection pattern, cost-effectiveness, and environmental benefits. Any bid failing one or more minimum tests was not scored;
- bids that passed the minimum test were assessed and scored individually against the four criteria (collection pattern, cost-effectiveness, environmental benefits, and innovation);
- these scores against the four criteria were combined using weights, consistent with Multi Criteria Analysis, to provide overall scores to develop a bid package. Sensitivity analysis was done by varying the weights to ensure a reasonable bid package in terms of bid types, cost-effectiveness, environmental impact, number of households and authorities affected and geographical factors;
- the package of bids was subjected to feasibility checks to consider risks to the delivery of projects from technological, planning, contractual and financial risks (amongst others); and
- the package of bids was assessed against the aggregate environmental tests and for its overall value for money.

### **13. Who assessed the bids?**

Bid assessment was undertaken by three core teams. A DCLG team of analysts (a mixture of Economists and Social Researchers) assessed the commitment to the collection criterion and wider data about the bids (e.g. whether they had been signed off by the local authorities' section 151 officers). A team of Local Partnerships specialists in waste management assessed the cost effectiveness, innovation and feasibility criteria and a team of Waste and Resources Action Programme (WRAP) experts assessed the environmental benefit criterion. Innovation and feasibility were also assessed by the DCLG analysts, and DCLG and Local Partnerships moderated the results of their individual assessments.

### **14. Who scored the bids?**

The final scores for cost effectiveness, innovation and environmental benefits were peer reviewed by DCLG's Technical Advisory Group (this included representatives from Defra, WRAP, the Local Government Association, Local Partnerships and the Environmental Services Association).

The DCLG Project Team which included two economists brought together all these assessments and scored the bids. The bids were then ranked according to their aggregate overall scores. The overall scores were derived by applying aggregate weights to their scores against the individual criteria. The final package of successful bids was those with the highest rankings that fell within the £250m available to fund this Scheme. This final package (and the aggregate weights used to derive it) was then reviewed by the inter-departmental Project Board. A Business Case explaining the final package of successful bids was then tested by DCLG's Investment Sub Committee, before it was signed off as Value for Money by DCLG's Accounting Officer, and subsequently by the Chief Secretary to the Treasury.

### **15. What was done to ensure consistency across each team when assessing bids?**

All three teams undertook a rigorous quality assurance process to ensure that all bids were assessed and scored consistently across assessors. All assessments and scores were moderated for each criterion so that a number of assessors assessed each bid.

The final scores for cost effectiveness, innovation and environmental benefits were peer reviewed by DCLG's Technical Advisory Group (this included representatives from Defra, WRAP, the Local Government Association, Local Partnerships and the Environmental Services Association).

The aggregate scores for the bids were peer reviewed by the inter-departmental Project Board (Director Chaired and including DCLG's Chief Economist and a HM Treasury representative). The final package of bids was also reviewed by DCLG's Investment Sub Committee and approved by the Chief Secretary to the Treasury.

## 16. What were the weightings assigned to the different criteria?

The following aggregate weightings were used to combine the individual criteria scores to produce the final package of successful bids:

| Criteria              | Weighting |
|-----------------------|-----------|
| Collection Pattern    | 40%       |
| Cost-effectiveness    | 30%       |
| Environmental Benefit | 20%       |
| Innovation            | 10%       |

Within the collection pattern criterion, 80% of the score was based on the type of weekly collection pattern and this was weighed by the percentage of households for each collection type. Scores were assigned to collection patterns using the table below. The remaining 20% of the score assessed the coverage of the bid by number of households in receipt of the collection.

| Collection Pattern Type  | Score |
|--|-------|
| A weekly residual collection with a weekly recyclables collection  | 100   |
| A weekly residual collection with fortnightly recyclables collection                                       | 80    |
| Adding a weekly food waste (or organic) collection to a fortnightly collection of residual household waste | 50    |
| Bids failing the minimum collection criterion  | 0     |

Within cost-effectiveness, 70% of the criterion was based on Local Partnerships' assessment of cost-effectiveness compared to industry standards, with a 30% component reflecting the size of grant requested compared to the number of households covered by the proposed project.

## 17. How did DCLG derive these weightings?

As outlined on page 16 of the Prospectus; 'the choice of the weightings will ensure that the overall package of successful bids (when taken as a whole) maximises cost effectiveness, satisfies the aggregate environmental tests<sup>1</sup>, and demonstrates a reasonable spread of successful bids (noting factors such as type of bids, geographical spread, and the number of households or local authorities).'

The final package retains weekly collections for just over 6.2 million households, benefiting 85 local authorities. For each region of the country, at least half of the bids submitted were successful in being awarded funding providing a reasonable geographic spread of bids.

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<sup>1</sup> See DCLG's *Supporting Weekly Collections* Prospectus (p19-20) for details of the aggregate environmental tests. <http://www.communities.gov.uk/documents/localgovernment/pdf/2081256.pdf>

## Environmental benefits

### 18. How were the environmental benefits assessed?

There are three aspects of the environmental assessment:

- each bid had to meet the minimum environment criteria - either a reduction in CO<sub>2</sub> equivalent emissions, or a reduction in disposal to landfill, or an increase in recycling based against current performance;
- bids that satisfied the minimum criteria were scored for their impact on CO<sub>2</sub> emissions; and
- an aggregate environment test was applied to the final package of successful bids to ensure a positive cumulative impact on CO<sub>2</sub>, reduced landfill and increased recycling from the scheme.

### 19. How were the CO<sub>2</sub> equivalent scores determined?

The CO<sub>2</sub> equivalent scores were determined using a carbon calculator. This takes information on changes to the amount of waste collected and the destination of that waste. For example, whether waste has been diverted from landfill or whether a higher proportion of the waste is being recycled. The calculation also takes account of the material in question, for example, the recycling of glass would have a different CO<sub>2</sub> equivalent score per tonne than paper or metal.

### 20. How did you score 'other' environmental benefits?

The CO<sub>2</sub> equivalent scores were predominantly determined by tonnages of waste produced and their treatment or disposal method. In addition, 'other environmental benefits' were grouped and credit of up to 5% was added to their environment score as follows:

- investment in lower emission vehicles leading to CO<sub>2</sub> benefits (5%);
- reduction in vehicle movements, leading to lower emissions (2%);
- improved street scene, less litter, local environment benefits (1%);
- supporting investment in waste treatment infrastructure which will have extra capacity to treat waste not covered by the bid (e.g. waste from other local authorities or third parties) (5%);
- supporting other waste management outcomes not already accounted for in the bid, for example supporting improvements in trade waste collection (5%)

In most cases, where bidders did identify additional benefits they did not attempt to quantify these benefits in carbon terms, therefore the appropriate points were added to the score assigned to their bid for the 'core' environmental benefits.

Where bidders did quantify any of these benefits in carbon terms the calculations were considered by the assessors and the environmental performance scored on the basis of the carbon savings achieved.

## Bidding process

### 21. Why did 36 bids drop out between outline bid and final bid stage?

A number of local authorities submitted multiple outline bids (some up to four bids) which they consolidated between outline and final bid stage. These streamlined bids reduced the overall number of bids at final bid stage.

Furthermore, some local authorities proposed projects at outline bid stage which

were out of scope of the scheme, notably in relation to the Scheme's collection criterion, so they often did not continue these to final bid stage.

**22. How many bidders acted upon the feedback DCLG provided in feedback letters of 22 June?**

These feedback letters were designed as an optional additional help for local authorities to use to improve their bids and as such it was not compulsory for any local authority to alter their bid based on information provided in the feedback letters. The vast majority of bidders used the feedback letters DCLG provided on 22 June to develop and improve their bids. Most provided greater detail and clarity in the areas that the feedback letters highlighted and provided additional documentation where required.

**23. Did all prospective bidders receive support from Local Partnerships?**

Yes. The amount of support offered was related to the complexity of the bid, the extent to which it met the Scheme's objectives and the needs of the particular authority.

**24. How was the Department for Environment, Food and Rural Affairs (Defra) involved with bid assessment, scoring and overall process of allocating funding?**

Defra was on the Project Board which agreed all important decisions during the process, including the assessment and scoring methodology and, ultimately, the final bid package. Furthermore, Defra and its arms length body, Waste and Resources Action Programme (WRAP) led the assessment of the environmental benefit of all bids.

**25. How was the Treasury (HMT) involved with bid assessment, scoring and the overall process of allocating funding?**

HMT was on the Project Board which agreed all important decisions during the process including the assessment and scoring methodology and, ultimately, the final bid package. Furthermore, the Chief Secretary to the Treasury signed off the Business Case confirming the value for money of the final package of bids.

**26. You had excess demand for your Scheme, what additional funding will Government be making available to support weekly collections of residual waste?**

We cannot pre-empt the next Spending Review, but supporting weekly residual collections remains a high priority. The DCLG and Defra Secretaries of State will be continuing to work closely together to see what more can be done to support weekly residual collections.

The Government has already reversed Audit Commission guidance and inspections which marked down councils who do not adopt fortnightly rubbish collections. In the weeks and months to come the Government will look at what further barriers might be holding back councils from delivering weekly collections and will continue to work towards retaining and reinstating weekly residual collections of rubbish for residents.

## Scheme statistics

### Statistics - local authorities

**27. How many local authorities will be moving to fortnightly collections without asking for support from this Scheme?**

The Government is delighted with the response it has had to the Weekly Collection Support Scheme. It hopes those authorities that didn't bid, but currently provide a weekly collection of residual waste, will continue to do so. Waste and Resources Action Programme (WRAP) provide updates on the percentage of households with weekly and fortnightly collections of residual waste, but they don't provide data at local authority level.

**28. What proportion of bids to introduce weekly food waste collections were successful?**

20% of successful bids are adding weekly collections of food waste, while 28% of bids received were to add weekly collections of food waste.

### Statistics - households

**29. What is the total number of households that will directly benefit from this Scheme?**

The total number of households that will directly benefit from the scheme through receipt of weekly residual collections is 6,277,918 households.

### Statistics - procurement of waste collection equipment

**30. Will the funding package lead to significant procurement operations for, say, new refuse vehicles and new wheeled bins?**

Yes, we expect there to be a significant number of new refuse vehicles and new wheeled bins and other receptacles for waste collection being bought as a result of this funding. New, innovative waste collection services will require new equipment and the employment of new members of staff in some cases.

**31. Will this additional procurement be managed so that local authorities join together to share best practice?**

DCLG is working closely with the Local Government Association (LGA) and Defra to promote joint working between local authorities that are procuring new equipment as a result of funding from the Scheme to ensure they can share best practice and secure the best possible deals.

### Statistics - environmental benefits

**32. How much waste will be diverted from landfill as a result of this scheme?**

It is estimated that around 187,002 tonnes of waste will be diverted from landfill as a result of the successful bids to the scheme.

**33. What will be the aggregate carbon savings made through the scheme?**

The aggregate reduction carbon emissions expected from the scheme is expected to be 1,193,168 tonnes.

## Statistics - incentive schemes

### **34. How many of the successful bids include a recycling rewards/incentive scheme?**

41 of the successful bids include a locally tailored recycling reward scheme. A significant number of these are significant, district-wide schemes. This marks a step change in the number of recycling rewards schemes that will be initiated across England. Recycling rewards schemes offer incentives to encourage residents to increase their recycling and thereby reduce the amount of waste sent to landfill. Rewards can be used in a range of different ways depending on the scheme, for example they can be used for discounts against goods at local stores or used to donate money to local charities.

## Future of local authority waste management

### **35. Will DCLG run this Scheme again? If so, when?**

The Secretary of States for DCLG and Defra are committed to supporting local authorities in their drive to provide waste services that are customer-focussed, cost effective and provide an environmental benefit. Whilst we cannot pre-empt the next Spending Review, we will continue to work towards retaining and reinstating weekly collections of residual waste for residents.

### **36. Will DCLG continue to be actively involved in local authority waste collection matters?**

The Government remains committed to working with councils to increase the frequency and quality of rubbish collections and to make it easier to recycle.

### **37. Will DCLG mandate weekly collections across England?**

DCLG has no plans to mandate weekly collections across England. It is up to local authorities to configure a locally tailored waste collection and disposal service that offers value for money for council tax payers, is customer focussed and delivers an environmental benefit.

### **38. Do successful local authorities have to monitor the delivery and outcomes of waste services provided by funding from the Weekly Collection Support Scheme?**

The Government expects local authorities to monitor and evaluate the performance of their project and to volunteer to make that data publicly available. Local authorities should be accountable to their residents. Councils already complete WasteDataFlow, and we would expect that councils in receipt of funding would use this published information to aid any local monitoring required to ensure their service is meeting the needs of their residents.

### **39. How will funding be administered and will it be ring-fenced?**

Payments will be in the form of a Section 31 grant payment which is not ring-fenced. This kind of grant payment allows local authorities greater flexibility in how they go about providing services to their residents. DCLG has today issued conditional grant offer letters to successful authorities setting out their profile of payments and when they can expect to receive funding in future years. In a small number of cases, payments in future years will not be made until an authority has submitted information confirming that it has met a particular milestone (e.g. securing planning permission). The Section 151 Officer in the lead bidding authority will be personally accountable for ensuring that funding is spent responsibly.