

Waste Management Follow-up – Caerphilly County Borough Council

Audit year: 2024-25

Date issued: June 2025

Document reference: 4976A2025

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Audit snapshot

What we looked at

We assessed the Council's progress in addressing the recommendations we made in our 2023 waste management report¹. In 2023, we found that the Council understood why its performance had declined but had been slow to address this and whilst the Council was developing a draft strategy there remained significant risks to its successful implementation.

We made two recommendations which focused on how the Council should monitor and evaluate the value for money of its waste strategy once finalised and ensuring it fully costs and resources a long-term strategy able to meet Welsh Government targets for recycling.

In this follow-up review, we also looked at the Council's recycling performance.

Why is this important

The Welsh Government's waste strategy – Towards Zero Waste² – sets out its high-level policies and targets for waste management in Wales. Part of this strategy is its 'Municipal Sector Plan'³ which details its recommended approach for the collection of waste from households in Wales, along with statutory annual recycling targets for the Council to achieve. The Council has not met these annual targets since 2018-19 and its annual recycling performance has dropped in five of the last six reported years. The Council faces the reputational and financial risk of being fined by the Welsh Government for every year it has not met this target.

The Council also has corporate objectives around sustainability and a decarbonisation strategy that are linked to its ability to improve its recycling performance.

What we concluded

The Council has made progress addressing the recommendations from our 2023 report by developing a fully costed waste strategy, but there are significant risks to its implementation and the Council does not anticipate reaching Welsh Government statutory recycling targets until 2030 facing the risk of financial penalties.

¹ Audit Wales, [Waste Management at Caerphilly County Borough Council](#), August 2023

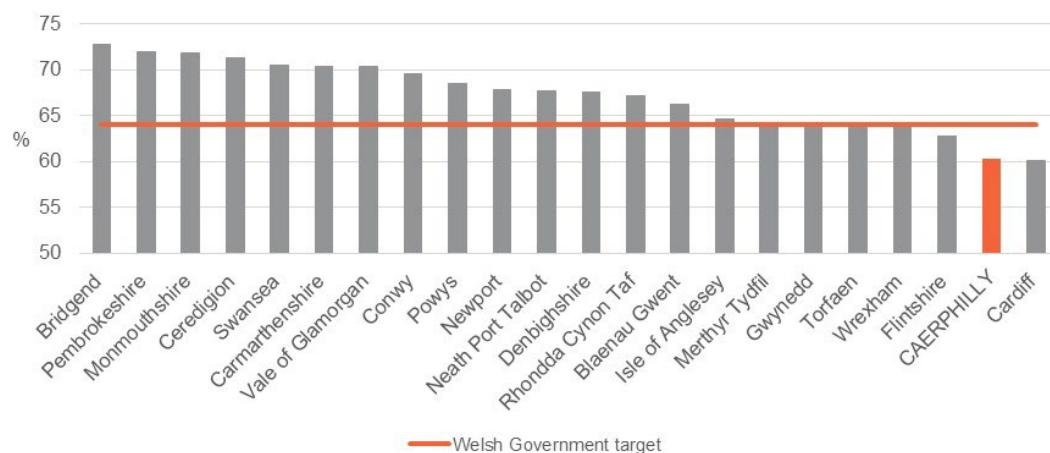
² Welsh Government, [Towards Zero Waste – The overarching waste strategy document for Wales](#), June 2010

³ Welsh Government, [Collections Blueprint 2025](#), June 2025

What the data tells us

In the last reported year, 2023-24, the Council had the second lowest rate of recycling of all Councils in Wales and was one of only four Councils not to meet the Welsh Government target of 64%.

Exhibit 1: percentage of waste reused, recycled or composted, by Council, 2023-24

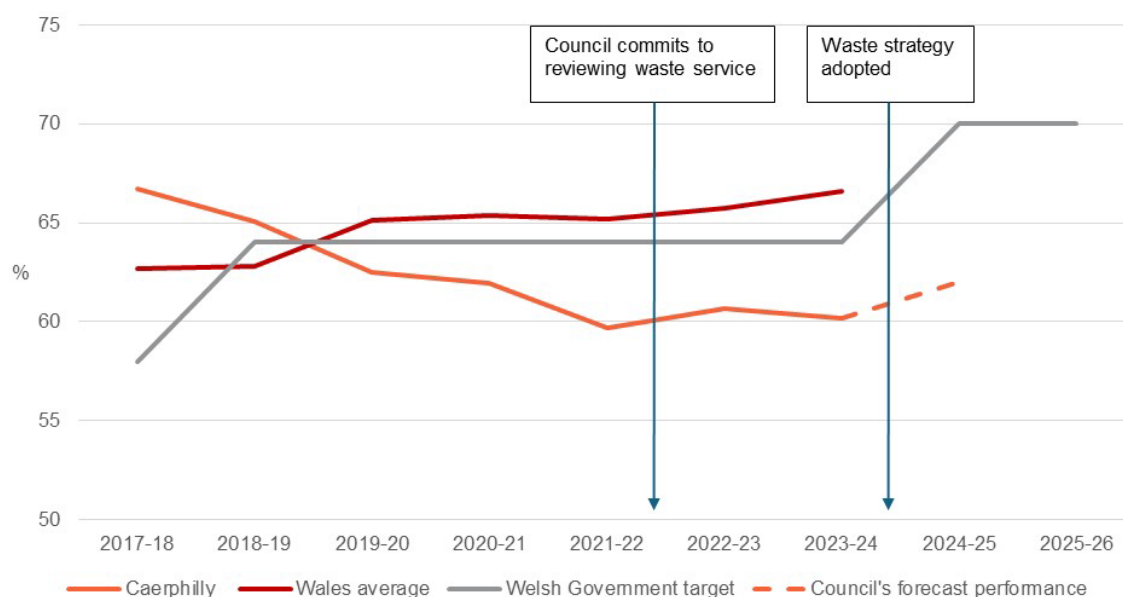


Source: StatsWales, Welsh Government

Exhibit 2 shows the Council's recycling performance since 2017-18. The Council's recycling rate has decreased in five of the six reported years and has not reached the Welsh Government's statutory target for the last five reported years. The Council's performance declined in the four consecutive years before it made a commitment to the Welsh Government to review the service.

The Council's new strategy was adopted in October 2023. The Council has forecast an improvement in its recycling performance for 2024-25, but this data has not been confirmed or published at the time of our reporting.

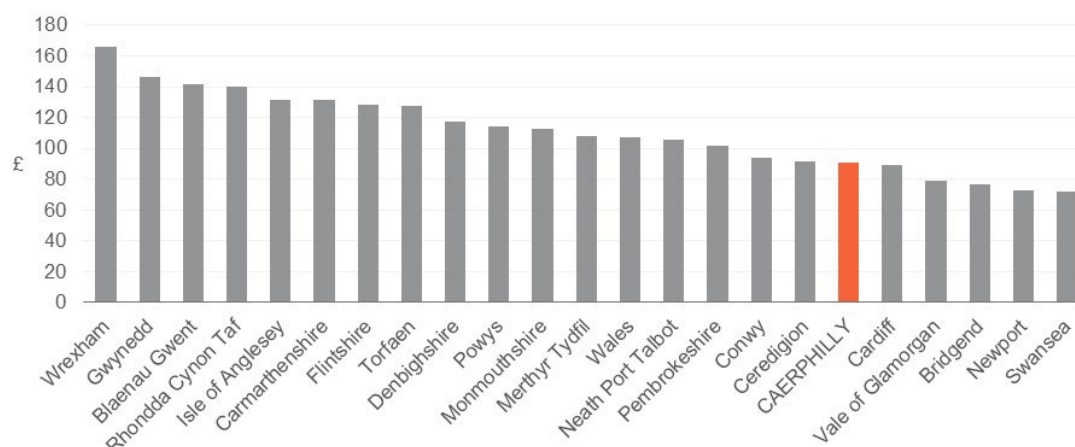
Exhibit 2: percentage of waste reused, recycled or composted over time in Caerphilly



Source: StatsWales, Welsh Government and Caerphilly County Borough Council

Exhibit 3 shows the spend per head on waste services by councils in 2023-24. Caerphilly had the sixth lowest spend per head on waste service in Wales and was below the Wales average.

Exhibit 3: spend per head on waste services by council, 2023-24



Source: StatsWales, Welsh Government

Detailed report

Lead-up to our previous report/background

In 2017-18, the Council was performing well in its recycling, achieving a recycling rate of 66.7%, the fourth highest in Wales and well above the Welsh Government statutory target at that time of 60%.

Since 2017-18, the Council's recycling performance has declined in five out of six reported years and is now the second lowest in Wales. The Council's recycling rate has dropped by 6.5 percentage points between 2017-18 and 2023-24, the second biggest decline of all Councils in Wales.

At the time of our previous report, the Council's waste collection regime did not include a kerbside sort and was hindered with contamination issues. The Council has treated its food and green waste separately in line with the Welsh Government Collections Blueprint⁴ since 2016, but its other recycling waste collection does not comply with the Blueprint.

In July 2023, we reported on waste performance in Caerphilly⁵ and found that the service had not met Welsh Government targets for three consecutive years and had been slow in addressing this performance. Additionally, there were significant risks to the successful implementation of its draft waste strategy.

What we found now

The Council has made progress in addressing the recommendations we made in our 2023 report. These include:

- implementing a fully costed and funded waste and recycling strategy;
- implementing changes to its collection regime;
- implementing an engagement process with residents to encourage behaviour change around kerbside collections; and
- developing new data sources to better understand how residents currently use waste and recycling services.

However, we cannot fully assess the impact of the waste and recycling strategy yet. To succeed and improve recycling levels, it requires several large-scale actions with tight deadlines to all be developed and delivered on time. Many of the critical infrastructure elements will not be in place until late on in the life of the strategy. There are significant risks associated with the implementation of the Council's strategy. We cover these in more detail below together with an overview of the Council's progress to date.

The Council adopted its strategy in October 2024, which was developed using a service evaluation completed with external partners, and a public consultation. The strategy is fully costed and funded through a Welsh Government grant and the Council taking out a

⁴ Welsh Government, [Collections Blueprint – Municipal Sector Plan part 1](#) , March 2011

⁵ Audit Wales, [Waste Management at Caerphilly County Borough Council](#), August 2023

25-year loan with repayments of £1.4 million per year. The Council is continuing to engage with the Welsh Government and the Waste and Resources Action Programme (WRAP) as it implements its strategy, with an approved outline business case and a full business case in development. It is currently awaiting to hear if it will be fined for not meeting statutory recycling targets. If the Council is fined by the Welsh Government for its poor performance, this would divert finances away from supporting service delivery at a time when budgets are under increasing pressure.

The development and implementation to date of the strategy have been supported by a cross-party Members' working group. This group has been effective in providing political oversight and challenge to all stages of the strategy development process.

The strategy contains a combination of objectives and short-term actions, and the Council's goal is to reach the Welsh Government statutory target of 70% recycling by 2030. The strategy and route map include detail on a range of actions that will help the Council achieve its strategic outcomes. These include:

- Purchasing, licensing and developing a new depot and recycling facility for waste management.
- Purchasing and introducing a fleet of ultra-low emission vehicles.
- Introducing a new waste collection regime, changing the requirements placed on residents and the frequency of residual and garden waste collections. (Recycling and Food waste will continue to be collected weekly.)

These actions are not planned to be completed until 2028. The Council's strategy sets out a commitment to move to the Welsh Government collection blueprint, but the Council has not yet agreed actions to support this. One such action includes reducing the frequency of its residual waste collections. The Council has also already identified additional issues that may impact on these actions, including needing to:

- purchase additional land adjacent to the existing depot site to accommodate the planned changes; and
- acquire Natural Resources Wales licensing for the planned changes to the depot.

The Council has a communications plan and dedicated communications officer to help inform residents of future collection changes and improve recycling behaviour. To date, the Council has focused on aspects of behaviour change, like educating residents on food waste contamination. However, the Council has not fully developed its wider programme of communication and engagement with residents, in line with its strategy. This will be key given the findings of the Council's public consultation. Although residents supported the Council's strategic objectives for reducing waste and improving sustainability, 57% of respondents felt a move to separating dry recycling at the kerbside would have a negative impact on households and 60% of respondents felt that a reduction in the frequency of residual and garden waste collections would have a negative impact on households.

The Council has already had some quick wins, including engaging with residents and providing kitchen caddy liners to improve food recycling rates and reduce residual waste contamination. The Council also made improvements at its household recycling centres (HRCs). These changes include putting additional resources in place at its HRCs to assist people who bring black bin bags to sort through the contents, to maximise recycling as they enter the sites. The Council has also improved layouts at the sites and is increasing

staff resource to offer guidance to residents. The risk of not achieving its strategic objectives will increase if the planned communication and engagement work cannot influence residents' behaviour around recycling and the proposed changes to collection frequency.

The waste strategy outlines how the Council will monitor performance, through a combination of service performance measures and establishing a Performance Working Group. However, we found that the Council has not identified targets for some of its performance measures and the performance measures do not include all milestones. This could impact on the Council being able to effectively monitor the performance and impact of its strategy in the short and medium term.

We were also told that the strategy would fit into the Council's routine scrutiny and monitoring processes. In February 2025, the Council reduced its corporate risk rating for the waste strategy and recycling performance from high to medium, citing the successful implementation of the strategy and receipt of Welsh Government grant funding as two contributing reasons. The Council's corporate risk register also highlights the potential negative impact on its carbon net zero ambitions if its recycling rates do not improve.

We note that in the 12 months from May 2024 to the time of reporting, two agenda items relating to the strategy (feedback on the public consultation exercise and a report on a property acquisition to facilitate the delivery of the strategy) have been seen by Cabinet. Two items (the public consultation feedback and a report on improving recycling behaviour) have been seen by the Housing and Environment Scrutiny Committee.

Whilst much of the scrutiny to date has focused on the impact of service change on residents, the Council will need to ensure that its monitoring of the strategy is appropriate for such a significant change programme. As part of robust monitoring arrangements, members will need to play a key role in overseeing the waste strategy implementation, ensuring there is a sustained focus on performance and risk monitoring. This approach will provide assurance that the Council can meet its strategic objectives and its corporate well-being objectives and ensure that residents and members are aware of the risks of not achieving these objectives.

Summary of the Council's progress against each of the recommendations raised in our 2023 report

Exhibit 4: summary of the Council's progress against the two recommendations raised in our 2023 report

Recommendation 1 – The Council should set out how it will monitor and evaluate the value for money of its waste strategy once finalised and the strategy's contribution to the Council's Well-being Objectives.

Status – Recommendation partially met

- The Council has set out what it will measure to understand the impact of its strategy, but these measures lack targets and short to medium-term milestones in the strategy.
- The Council has set out how it will monitor and review progress against the strategy, but it is too early to assess if these processes are sufficient.
- The Members' cross-party working group, which was set up to support the development of the strategy, continues to operate and provide challenge and support to the implementation of the strategy.
- The Council has not set out how it intends to implement its public behaviour change campaign, which is a key part of the strategy.
- The Council has not demonstrated how it will measure the contribution of the strategy to wider well-being objectives.
- We found evidence that there was a degree of resistance to changing the Council's waste collection methods, which has affected the pace of decision-making and the implementation of improvements to its waste services.
- The Council has not met the Welsh Government's recycling target for the last five reported years (2018-19 to 2023-24) and this could remain the case for the next four years as well. The Council faces the reputational and financial risk of cumulative fines from the Welsh Government, which it has not budgeted for. The fine liability for 2019-20 to 2022-23 alone is £2.106 million.
- Continued poor recycling performance will mean the Council risks not achieving some of its corporate and decarbonisation objectives.

Exhibit 4: summary of the Council's progress against the two recommendations raised in our 2023 report

Recommendation 2 – The Council should develop and agree a fully costed and resourced longer-term waste strategy capable of meeting both current statutory targets and in readiness for the potential increase in statutory targets in the future.

Status – Recommendation partially met

- The Council has developed and implemented a waste strategy which has a sound evidence base. The strategy was fully costed and is now fully funded for its entire lifespan.
- The Council has been slow to approve its strategy and the pace of change means the Council does not expect to meet Welsh Government recycling targets until 2028 at the earliest. The outline business case for the waste strategy set a target date of 2030. Major capital and infrastructure changes to implement the strategy do not come online until 2027 and there are no planned changes to the collection regime until this date.
- The Council has implemented some quick wins, such as a new food caddy waste programme and improvements at its household recycling centres, which are forecast to improve its recycling performance in 2024-25. The Council has also introduced new technology which will help it to understand how residents engage with, and use, kerbside collections and recycling. This technology is developing new data which could help the Council target its interventions and education resource to where the biggest impact is possible.



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