



environmental
services
association

ESA PRESS STATEMENT

Cash-strapped councils should use competition for waste services to maximise flexibility

LONDON, 10 APRIL 2018: The Environmental Services Association (ESA), the voice for the UK's resource and waste management industry, has today launched a campaign to promote the use of outsourcing to deliver cost savings and drive innovation in service delivery for local authorities and their residents. ESA has published a briefing "Delivering best value through competition" to accompany this campaign launch.

More councils are moving away from competitive tender procedures for their waste services, either by moving services in-house or by using a "Teckal" exemption from the Public Procurement Directives. ESA believes that this is taking away the opportunity for those councils to use the market to find the best solutions to fit their local circumstances.

ESA's Executive Director, Jacob Hayler said:

"It is no surprise that councils across the country are examining all their options during a period of unprecedented financial challenges for the local government sector. Local Authorities are under huge pressure to maintain service levels for their residents, improve recycling performance, and above all to save money. ESA agrees that councils are best placed to decide how they want to manage these trade-offs, but we believe that the market is best placed to deliver value for money.

By transferring risks to the private sector, Local Authorities are able to insulate themselves from unforeseen costs and gain greater certainty over their budgets. The risk for delivering a quality service to cost lies with the contractor and is enforced through its legal obligations

under the contract. This provides transparency and accountability in the delivery of the services, which improves outcomes for council tax payers.

“ESA recognises that many Local Authorities are concerned about locking themselves into inflexible arrangements for up to 10 years for their waste services. But we believe that competitive tenders – open to both private and publically owned service providers – can be used to protect councils from changes in future legislation in the most affordable way. We are keen to work with the local government sector to explore new contracting solutions which would help to address this.”

The ESA briefing document can be found here:

http://www.esauk.org/esa_reports/180409_Delivering_best_value_through_competition.pdf

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Notes to editors:

1. The **Environmental Services Association** (ESA) is the trade association representing the UK’s resource and waste management industry, which is leading the transformation of how the UK’s waste is managed.
2. We work with all levels of government, regulators and the public to deliver a more sustainable waste and resource management solution for the UK. ESA’s recent Circular Economy report ‘*Going for Growth – A practical route to a circular economy*’, which outlines how a Circular rather than a linear economy can help manage resources sustainably, can be downloaded [here](#).
3. ESA’s Members manage waste on behalf of the whole of society and we are recovering more than ever before. For example, the industry has helped quintuple the UK’s household recycling rates over the last decade.
4. **The sector at a glance**
 - Total turnover: **£11 billion**
 - Direct Employment: **106,000 people** (*including waste collection, treatment and materials recovery*)
 - Municipal waste handled each year: **27 million tonnes**
 - Energy generated (across landfill gas, anaerobic digestion and energy from waste) each year: **approximately 11,867 GWh**, which is 3.5% of the UK’s electricity
 - **9,083 GWh of that was renewable electricity** (taking out non-biodegradable portion of EfW) which is **11%** of UK’s renewable electricity
 - Greenhouse **gas emissions down by 70% since 1990.**
 - The **top seven companies account for approximately 40% of turnover.** Many hundreds of SMEs provide either localised or more specialised services

- Waste & recycling is the **most highly rated of all council services** by the public (2016 survey)

For further details please visit www.esauk.org

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