

THE OVERVIEW AND SCRUTINY COMMITTEE

23 January 2012

WASTE COLLECTION SERVICE UPDATE

REPORT OF ASSISTANT DIRECTOR (HIGH QUALITY ENVIRONMENT)

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RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

This report has been produced at the request of Members in order to provide an update on the latest position regarding the problems experienced at the start of the new refuse and recycling collection contract.

The report describes the problems experienced in detail and what action was taken to deal with these issues.

The service is now returning to what can be considered to be 'business as usual'

RECOMMENDATION:

That Members note the contents of this report.

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DETAIL:

1 Introduction

- 1.1 This report has been produced at the request of Members in order to provide an update on the latest position regarding the problems experienced at the start of the new refuse and recycling collection contract. This service is now delivered by Biffa Municipal Ltd both within the Winchester and East Hampshire Districts as part of a joint procurement project which was completed in 2011.
- 1.2 At the commencement of any new contract, it is usual to experience initial difficulties whilst the contractor becomes used to the District and any new staff adapt to any new working practices. The mobilisation of this contract was also complicated by the reorganisation of the collection rounds in order to maximise efficiency savings.

2. Contract Start date

- 2.1 Although the contract start date was 1 October 2011, it was decided not to commence the new collection rounds from that date, as the final decision on the final format of these was delayed whilst client staff completed their evaluation of the proposals, in order to ensure their adequacy. For this reason, the decision was taken to run the service 'as is' from the commencement date and implement the changes later in the month. All publicity material delivered to households confirmed this arrangement.
- 2.2 As with any change in contractor for a contract of this nature there was a transfer of staff under the TUPE Regulations, so under normal circumstances any new contractor would hope to commence the new contract using the existing team, including managers and supervisors. However, staff are not under any legal obligation to transfer and may opt to leave, as was the case here, with some of the previous Serco staff leaving before or at the end of the Serco contract. The previous Service Manager decided to take retirement, as did his deputy, leaving Biffa with a lack of detailed knowledge and experience of the District and management of the service. Managers were therefore brought in from other existing contracts to mobilise the service in both Districts.

3. Problems experienced

- 3.1 During the first few weeks whilst the service was run 'as is', few problems were experienced. This would not be unexpected, as many of the crews were

delivering exactly the same service as before. The problems began to occur when the new collections round were implemented from 17 October 2011, when crews were shuffled in order to accommodate the new collection rounds. The problems could be grouped in contractor issues and resident issues.

3.2 **Contractor Issues** ; the main problems experienced were as follows:

- a) Some staff who had transferred decided to leave Biffa and had to be replaced initially with agency staff who were unfamiliar with the District;
- b) Traditional collection points were unfamiliar resulting in missed bins;
- c) Failure to complete collection rounds due to delays caused by other factors;
- d) Assisted collections missed – these are listed on a specific schedule and apply to those with special needs such as mobility issues and were not fully incorporated in the new in-cab IT system;
- e) Difficult access properties (particularly in rural areas) were hard to find and hampered by the lack of the local knowledge;
- f) Mop-up rounds sent to deal with the backlog experienced similar problems resulting in longer delays.

3.3 **Resident Issues** were mainly in the following areas:

- a) Wrong bin put out for collection – with changes to collection schedules, some households became confused about which collection was due although this was in the publicity material;
- b) Correct bin put out on the wrong day – collection days were changed in nearly all cases;
- c) Garden waste put out with recycling instead of residual waste bin – the change was introduced as an efficient measure as part of new zonal working arrangements.

4 Response to issues

- 4.1 The net effect of the issues described above was to seriously disrupt the collection service, resulting in a significant backlog of collections. Once the problems became apparent, Biffa were asked to address them immediately and information was put out to the press and media confirming what was being done and advising residents to leave any missed bins out for collection as it was not possible to confirm exactly when they would be collected by mop-up crews.
- 4.2 Because of the scale of the developing backlog, the initial response was to bring in additional resources (including at weekends) to try and catch up on collections. However, because of the rural nature on both Districts, this was not as effective as had been hoped, as many of the properties were not easily found by crews unfamiliar with the area.

4.3 When it was realised that this approach was not proving effective, Biffa took the decision to bring in a key manager with experience of these issues and developed a recovery plan which was implemented immediately and began to tackle the key issues as described above. That manager remained on site until this process was completed during November when another interim manager was brought in to run the service, pending the appointment of a new site manager. This process is still in progress, as it is vital that a candidate of the right calibre and experience is brought in to run the service.

5 Communications

5.1 Throughout the period of difficulties, it was important to maintain clear communications with a number of audiences regarding progress in dealing with the issues. The approaches adopted included the following:-

- (a) Weekly email updates to City Councillors;
- (b) Regular updates to Parish Councils;
- (c) A series of Press Releases to the media – these included an apology from Biffa for the disruption caused;
- (d) Regular updates on the website and telephony systems;
- (e) Ongoing communication with the Customer Service Centre to make sure they had the most current information available for responses to phone calls.

6. Current position

6.1 It is now considered by officers that the level of service has returned to what can be considered to be normal. Missed bin collections are an inevitable part of the service and are due to a variety of reasons, not always the fault of the contractor. The important issue is to resolve any incidents as quickly as possible if the complaint is justified.

6.2 Shortly before Christmas, the average number of missed collections within the Winchester District was 27 per day. This rose to an average of 52 per day over the Christmas period but this was expected as there were changes to the collection days which usually results in some confusion from residents during this period. Client staff are monitoring the situation closely on a daily basis in order to ensure that the service runs effectively.

OTHER CONSIDERATIONS:

7. SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

7.1 The procurement of this service during 2011 supported the Council's aim to be effective and efficient and ensuring that the service is properly delivered is part of that overall process

7.2 The service also supports the High Quality Environment outcome of the Community Strategy particular the waste minimisation outcome. Plans are in hand to develop a shared waste minimisation and recycling strategy with East Hampshire which will set the direction for the service over the next few years and link into the Project Integra aspirations.

8. RESOURCE IMPLICATIONS:

8.1 During the period in October and November, after the round reorganisation was implemented, the number of phone calls and service requests received by the City Council was significant, as the Customer Service Centre handles calls for both Districts. It was not possible to absorb this increase within the resources available, so additional resources were brought in using external agencies and telephony companies to deal with the excess. Without this resource, there would have been considerable delays in handling calls and the level of dissatisfaction and complaint would have risen significantly.

8.2 The total cost of these additional resources amounts to approximately £64,000 made up mainly of the external agency and telephony costs. Because of the emergency nature of the response required it was not possible to seek member approval of these costs before they were incurred. Whilst these costs are part of the partnership with East Hampshire and are therefore the equal responsibility of both local authorities, it is proposed to recover them from Biffa Municipal Limited as they are not the result of normal operations or contractual arrangement.

8.3 It is expected that this recovery process will be successful and Biffa have not indicated that they are unwilling to meet these costs during discussions about the problems experienced. It is therefore expected that this expenditure will not result in any overspend by the year end. In the event that this is not the case then it may be possible to use the project contingency budget to meet any shortfall.

9. RISK MANAGEMENT ISSUES

9.1 There is a risk that the Council's reputation may have been partly damaged by the problems experienced particularly when there were delays in resolving collections or dealing with complaints. However it is hoped that with the service returning to normal, this will recede over the next few months.

9.2 Discussions are also currently in progress regarding an offer by Biffa to fund an environmental-based project or initiative across the 2 Councils as a form of compensation for the disruption caused. This may also help to reduce previous concerns.

BACKGROUND DOCUMENTS:

None APPENDICES: None