

Southern Internal Audit Partnership

Assurance through excellence
and innovation

Winchester City Council Final Internal Audit Report

**Implementation of the extension to the refuse and
recycling arrangements**

2 March 2020

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Confidential

1. Introduction

- 1.1. Following the disaggregation of the joint Environmental Services Contract with East Hants District Council a one-year extension to 30 September 2020 was agreed by the Council, with the existing waste contractor BIFFA to maintain waste services. This was to enable a procurement and mobilisation process for a new eight-year waste services contract to be undertaken.
- 1.2. Following the disaggregation, the Council had to implement the reorganisation of waste collection and recycling rounds with effect from 30 September 2019. The Council also were also introducing a monthly glass collection service from the 1 October.
- 1.3. Prior to the implementation of the new arrangements it was planned to issue all waste customers with a new calendar and accompanying letter outlining the changes to their collections. This was due to be sent to the printer by 9 September for printing and mailing. However, the final approval to print was not given until 24 September and mailing did not commence until 27 September and was not completed until 30 September.
- 1.4. The late communication of the new arrangements led to adverse publicity in the local press and extensive social media commentary from the public concerning the service and the level of performance. A large number of calls and complaints were received by the Council (2002 in the first week of the new arrangements) and as a result additional costs were incurred in recovering this position back to business as usual.
- 1.5. It is acknowledged that this was a complex project that involved reorganisation of rounds and implementation of glass recycling arrangements for around 53,000 properties which was implemented by the set deadline with residual issues resolved within a relatively short timeframe.

2. Scope

- 2.1. Due to the issues experienced (as indicated above) we were asked to identify why and how these issues arose and how they were subsequently managed with the aim of identifying learning points that could be taken forward to future projects.
- 2.2. The scope of this review focused on the arrangements for the management and implementation of the extended refuse and recycling arrangements and included discussions with key officers and a review of supporting documentation.

3. Project Management

- 3.1. The reorganisation of waste and recycling collection rounds and the communication to the public was identified by officers as a Tier 1 project and should therefore have been managed in line with the Council's agreed Project Management processes. However,

the project was not managed in line with the Council's framework or any other recognised methodology for the entirety of the project.

- 3.2. Whilst overall responsibility for the implementation of the extended refuse and recycling arrangements was assigned to the relevant Strategic Director, operational project management support was assigned and undertaken by three different project managers through the process. The last project manager was transferred to a new role and from May / June 2019 there was no designated project manager overseeing the implementation process from that point onwards.
- 3.3. A detailed project plan was in place, together with an action log and risk register at the commencement of the implementation process but the plans etc were not maintained throughout the life of the project once the last Project Manager had transferred to his new role. The plans etc were last updated at the end of May.
- 3.4. Whilst there were issues in respect of the delivery of glass recycling containers, the process was managed more effectively than the communication of the implementation of the new rounds and actions were taken to resolve issues in a timely manner.
- 3.5. For future projects of this scale, complexity and importance we would suggest the following areas should be considered:
 - Full project management processes should be adhered to, commensurate to the size, complexity and significance of the project. In particular, the project should include a detailed plan that is maintained and monitored throughout the life of the project, which details responsibilities, decisions, risks and actions required to complete the project successfully.

4. Governance arrangements

- 4.1. The Strategic Director with overall responsibility for the implementation of the new arrangements was also responsible for the procurement of the new contract. The lead up to the changes coincided with a key stage of the procurement resulting in competing priorities and a lack of senior management oversight and challenge at this critical time.
- 4.2. Meetings of the Environmental Services Project Group, which had responsibility for both the implementation of the new rounds and the procurement of the new contract, involved senior officers and supporting functions. However, the contents of the minutes do not provide sufficient detail in respect of the implementation projects' management and progress, especially in the absence of an up to date detailed project plan and risk register. The Council have been unable to provide us with any project group minutes for the period between 03.09.19 to 08.10.19.
- 4.3. Discussions indicated that there was a lack of understanding of the significance and complexities of the implementation of the new arrangements amongst senior management and the Communications Team, who were all key components for successful project delivery, although we found that the Contract Manager was raising his concerns throughout the implementation process.
- 4.4. We also noted from discussions that there was a lack of visibility corporately about the timing and impact of the implementation project.

4.5. For future projects of this scale, complexity and importance we would suggest the following areas should be considered:

- A focussed, specific project team with sufficient capacity and the appropriate level of knowledge of the project area should be in place, including a nominated project manager, for the duration of the project.
- Sufficient detail of issues, risks, decisions, actions and progress against timescales, including corrective action if required, should be actively monitored, managed and recorded in project group minutes/highlight reports.
- Escalation processes should be agreed to ensure appropriate senior officers and members are made aware when timescales slip, and remedial action is required.
- Relevant members should be kept fully updated on projects and programmes that fall within their remit or affect their constituents.

5. Communication

- 5.1. The new rounds were agreed with Biffa by the end of July and required the printing, collation and delivery of 42 variants of calendar and 7 different letters to around 53,000 properties across the district.
- 5.2. Responsibility for the communication of the changes was assigned to a temporary member of the Communications Team, who was line managed by the Head of Communications. The Corporate Head of Strategic Support received assurances that the communication aspect of the implementation was on track and did not become fully involved until there were issues with the letters in late August. We understand a public facing communications plan was produced; however, this was not shared for sign off with the programme lead or the Chief Executive, and we have not been provided with a copy.
- 5.3. Although sample letters from a previous re-routing exercise were forwarded by the Contract Manager (Waste) to the Communications Team in April 2019, these were not reviewed by the team until late July. At this point they were passed back to the Contract Manager to write a formal version. During August the Contract Manager was also working with Biffa on the design and variations of the calendars. After some revisions these were finally signed off by the Chief Executive at the end of August.
- 5.4. Responsibility for the printing and delivery of the letters and calendars was assigned to CrossPrint, a company based on the Isle of Wight. Their appointment was managed by Communications and it is not clear whether WCC procurement requirements and Contract Standing Orders were followed for their appointment as no documentation can be found to support the procurement process. In addition, no evidence of the total cost for the printing and distribution of calendars has been provided and it is also unclear whether the complexity of the project was confirmed to the printers.
- 5.5. During the printing of the letters and calendars, delays were experienced in receiving proofs from the printers to confirm the accuracy of the content. Whilst the Contract Manager pressed for this information and progress updates, he and senior officers were advised by Communications that all was progressing with no issues. However, it became

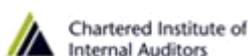
apparent in the week prior to go-live that some residents would not receive the information prior to the implementation date.

- 5.6. Once the delays in communication to residents were realised a recovery plan was initiated via the WCC website, face-book advertising and social media commentary to help ensure residents were advised of the changes to dates and routes. It was at this late stage that the Chief Executive and members were informed of the issues.
- 5.7. The Customer Service Centre was responsible for dealing with the ensuing enquiries and were supported by appropriate officers, including staff from the waste department, to ensure resident's issues were resolved. One Member also provided assistance and advice with remedial actions. Additional rounds were requested to pick up waste that had not been put out on the correct day due to householders being unaware of the changes.
- 5.8. Data analysis was undertaken to enable the monitoring of enquiries and their resolution. This included tracking the number of calls, missed bins, glass box delivery and website statistics. However, it did not record the number of repeat calls arising from issues not being resolved.
- 5.9. For future projects of this scale, complexity and importance we would suggest the following areas should be considered:
 - A communication plan should be in place as part of the wider project plan; appropriately approved and reported against throughout the life of the project. Where the project involves communication to residents, earlier updating of the website and communication through social media will assist in minimising enquiries.
 - Where officers are asked to compose communications to the public, they should receive appropriate levels of support from the Communications Team.
 - The Procurement Team to be involved in procurements of this nature to ensure all requirements are adequately identified and specified, compliance with Contract Standing Orders and retention of key documentation.
 - Major projects could be given a separate finance code to enable a clear record of costs incurred.
 - Lessons learned through the project should be recorded and appropriately disseminated to prevent future occurrence.
 - We also suggest that functionality within the Lagan system is explored to see if repeat contacts can be identified and linked in order to identify those not resolved at first contact to learn lessons for the future and improve customer experience.

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