

REPORT TITLE: IMPLEMENTATION OF THE EXTENSION TO THE REFUSE AND RECYCLING ARRANGEMENTS

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WARD(S): ALL

PURPOSE

Following the disaggregation of the joint waste contract with a neighbouring council, a one year extension was agreed for the existing contractor to continue to provide the refuse and recycling service. This one year extension enabled full procurement and mobilisation of a new eight year environmental services contract.

During the joint contract, collection rounds had been designed to be the most efficient over both council areas. Due to the disaggregation, it was necessary to change the waste collection rounds to serve the Winchester district only. This change of rounds occurred in October 2019. A new district wide kerbside glass collection service started at the same time as the change in rounds.

These changes to collection arrangements required extensive reorganisation by the contractor and communication with residents to explain their new collection day. Although the main arrangements for the new collections were successfully delivered, the late delivery of calendars to households by a supplier caused delay in the first weeks of the new service. The situation was recovered quickly through the organisation of top up collections to ensure that there was no backlog of uncollected waste.

Southern Internal Audit Partnership were asked to undertake a review of the project and determine the factors that led to the late delivery of calendars so the council could establish how to improve its approach for the future.

RECOMMENDATIONS:

1. The Internal Audit report, *Implementation of the extension to the refuse and recycling arrangements* is noted;
2. The learning points and actions from the report are noted.

IMPLICATIONS:

1 COUNCIL PLAN OUTCOME

- 1.1 Collection of refuse and recycling is a critical front line service provided by the council. Effective communication is a key priority for the council.

2 FINANCIAL IMPLICATIONS

- 2.1 Additional collections were required in order to ensure that householders did not have a backlog of household waste and that there were no consequential issues arising. The cost of these additional collections was approximately £75,000 which ensured that the frequency of collections for householders was maintained.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 These matters are referred to in the body of the report.

4 WORKFORCE IMPLICATIONS

- 4.1 The report recognises that the requirement to undertake work simultaneously on a number of complex issues was a significant challenge for some aspects of the organisation and the recommendations should be seen in this light.

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None

6 CONSULTATION AND COMMUNICATION

- 6.1 This aspect is detailed in the main report.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 In responding to the issues which arose from the late delivery of calendars a very high priority was given to ensuring that there was no backlog of household waste allowed to build up and this was substantially achieved.

8 EQUALITY IMPACT ASSESSEMENT

- 8.1 Refuse and recycling is a universal service therefore no equality impact assessment was necessary. Information regarding round changes was shared with residents by letter and was available on line.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 The refuse and recycling rounds are built from address data which is in the public domain. Any communication is sent to the address and not the resident. Additional personal contact details for residents are stored in secure databases.

10 RISK MANAGEMENT

- 10.1 This paper considers the impact of the changes to the refuse and recycling rounds in order to better inform risk registers for future work.

11 SUPPORTING INFORMATION:

- 11.1 The decision by East Hampshire District Council not to pursue a joint reprocurement of the waste collection contract, which had operated since 2011, meant that the City Council had to conduct a procurement exercise for the new contract. In order to allow time for this a one year extension was agreed with the existing contractor to continue to provide the refuse and recycling service. The procurement of the waste collection contract is the City Council's largest service delivery procurement and a project team, led by a Strategic Director, was established to undertake this work whilst also making arrangements for the extension period.
- 11.2 During the joint contract collection rounds had been designed to be the most efficient over both council areas. Due to the disaggregation it was necessary to amend the waste collection rounds to serve the Winchester district only. This was a fixed target and had to take place from October 2019 when the joint contract came to an end. As a result householders needed to be advised of the new collection arrangements and many needed to have their collection day changed. The council had also agreed to implement a district wide kerbside glass collection service that started at the same time as the change in rounds.
- 11.3 The changes to collection arrangements required extensive communication with residents. The scheduling of new rounds and the profiling of the calendars (which had 42 variations) were handled by the Biffa and the client team and were accomplished successfully. Unfortunately the company which was commissioned to print and delivery the collection calendars did not deliver the calendars on time. As a result calendars did not arrive with residents until on or just after their first 'new' collection day. For many householders this created no problem as their collection had not, in fact, changed. But for those who did have changes this caused confusion.
- 11.4 However calendars were available on line for some days before the service commenced and residents were directed to these if they required immediate information as well as awareness being raised of the changes and the calendar through social media. Through these measures the actual number of delayed collections was kept to a minimum.
- 11.5 Additional resource was in place to provide cover during the first week of the changed rounds and this was extended due to the delay in calendar delivery. Although this resulted in additional expenditure of approximately £75,000 this was accommodated within the budget for the mobilisation.

- 11.6 It should be noted that the organisation of the new rounds and the mobilisation was very good and had it not been so well prepared, recovery from the problems which occurred would have been much more difficult.
- 11.7 The audit report (appendix 2) sets out its findings under three headings and these have been considered carefully. This report sets out the response to the findings.

11.8 **Project management**

The report expresses the view that there was a lack of resourcing within the project and that project documentation was not kept up to date.

The Southern Internal Audit Partnership report makes two recommendations in section 3.5:

Recommendation 1:
Full project management processes should be adhered to, commensurate to the size, complexity and significance of the project.

Action:

The Corporate Head of Service has instructed that the full project management process to be implemented for all Tier 1 projects and Tier 2 projects as appropriate.

Action:

The Programme Management Group will review resourcing to ensure adequate capacity and knowledge is deployed to all projects at this level going forward. A Project Manager will be allocated for the duration of the project.

Recommendation 2:

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.

Action:

The project management process, when adhered to, includes these factors, comprised in the standard documentation

11.9 Governance

The report expresses the view that there was insufficient detail in the minutes of the project team meetings to give comfort that all risks and issues were continually under review.

The report makes four recommendations in section 4.5:

Recommendation 1:

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.

Action:

The Programme Management Group will review resourcing to ensure adequate capacity and knowledge is deployed to all projects at this level going forward. A Project Manager will be allocated for the duration of the project, accepting that, in longer length projects, there can be staff turnover.

Recommendation 2:

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.

Action:

The implementation of the new Wrike software and its rollout throughout the Project Office is now complete. This software presents, in detail, issues, risks, actions, ownership of those actions and progress against timescales. The reports produced will be presented at the Programme Management Group.

Recommendation 3:

Escalation processes should be agreed to ensure appropriate senior officers and members are made aware when timescales slip, and remedial action is required.

Action:

The reporting lines of the Project Office have been reviewed and, subject to consultation, a Project Office Manager will now report directly into the Corporate Head of Service. Monthly meetings between these two officers in addition to the Programme Management Group will ensure that senior officers and members are made aware when timescales slip. Senior Officers will then be able to ensure that remedial action is prioritised.

Recommendation 4:

Relevant members should be kept fully updated on projects and programmes that fall within their remit or affect their constituents.

Action:

The Chief Executive has made SLT aware of the importance of involving Cabinet and ward members of developments. Project Board Meetings, going forward, will now comprise an action point that relates to onward communications to ward members. Where all wards are affected, as in the case of the implementation of the extension to the waste contract, the communications will be actioned via Democratic Services Update (DSU).

11.10 Communications

The report acknowledges that additional communication resource was brought in to support the project. However, the report indicates that this resource was not fully supported and despite assurances to the Corporate Head errors were made in liaising with the fulfilment supplier and in providing accurate information about the delays which they had experienced.

The report notes mention of effectiveness of the recovery plan put in place. There are learning points for the council if a similar situation were to occur again in that the design of a simple, easy to communicate and sensible recovery mechanism which residents can easily follow is essential. The use of social media to drive residents' enquiries to the webpage for round information and encourage information sharing was very effective.

The report makes four recommendations in section 5.9:

Recommendation 1:

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.

Action:

Communications plan templates have been created and these will be completed for all Tier 1 (and where appropriate Tier 2) projects. These templates stipulate that consideration be given to audience, reach and channel to market. A master plan will plot highlights across several projects on a timeline to ensure resourcing and messaging is not comprised.

Recommendation 2:

Where officers are asked to compose communications to the public, they should receive appropriate levels of support from the Communications team.

Action:

The communications team is, subject to consultation, undergoing a change in structure in order to 'repurpose' it for the effective delivery of campaign management.

Recommendation 3:

The Procurement team should 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.

Action:

A new Procurement & Contract Management Strategy is drafted and close to adoption following a presentation at Business & Housing Committee in February 2020. Upon publication this strategy will be rolled out via training and a supporting internal and external communications plan to guide officers across the council as to the correct way to embark upon procurement. To support this guidance the Procurement team has been expanded to three officers.

Recommendation 4:

Major projects could be given a separate finance code to enable a clear record of costs incurred.

Action:

The Corporate Head has requested that the Project and Customer Service Manager work with the Finance team to explore the best solution around coding to deliver this recommendation.

Recommendation 5:

Lessons learned through the project should be recorded and appropriately disseminated to prevent future occurrence.

Action:

One-to-ones have been held with all team members who were tasked with supporting elements of the project to discuss the reasons for the issues that arose and also mitigation.

Recommendation 6:

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.

Action:

Working with IT and Customer Services, the Lagan system is being upgraded. This will assist us in ensuring we keep abreast of multiple complaints from particular addresses. Additionally we have introduced a new escalation/flagging system to the Contract Management Team to prevent people who have encountered an ongoing problem from having to contact us multiple times.

Summary

11.11 It is clear that the late delivery of the resident information did cause confusion for households and meant that the council had to bear additional cost during the top up phase. However, an effective and prompt recovery process kept disruption to a minimum. It should be noted that despite some challenges with staff resources, had the delay in the distribution of the calendars not occurred, there would have been very few problems in a major change over of arrangements.

The need for effective communication of changes to service arrangements is now clearly and fully understood. Sufficient and effective communication must be provided in a variety of methods to advise residents of any changes to services. Points made in the audit around the project management are acknowledged.

12 OTHER OPTIONS CONSIDERED AND REJECTED

12.1 There are no alternative options to consider as the council requested the audit to learn from it for future project delivery.

Other Background Documents:-

None

APPENDICES:

Appendix 1: Audit Outline

Appendix 2: Audit Report