

EAST HERTS COUNCIL

ENVIRONMENTAL SCRUTINY COMMITTEE – 9 JUNE 2015

REPORT BY HEAD OF ENVIRONMENTAL SERVICES

CONTRACT PERFORMANCE – ENVIRONMENTAL OPERATIONS

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To advise Members on the current performance of the two main contracts for Environmental Services – Waste Services (Refuse and Recycling, Street Cleansing Contract) and Grounds Maintenance, and other environmental management initiatives that have been undertaken.

<u>RECOMMENDATION FOR ENVIRONMENT SCRUTINY COMMITTEE</u>	
:	
That:	
(A)	the Committee scrutinises the current performance of the Council's main environmental management term contracts

1 Background

1.1 The Environmental Services department delivers services through a range of contracts in addition to using in-house staff. The primary objective of this report is to provide Members with an annual update of the performance of the main term contracts.

1.2 The combined Refuse, Recycling and Street Cleansing contract was awarded to Veolia Environmental Services for a period of seven years, with a possible extension of up to seven years, in

- November 2010 and commenced on the 9th
- 1.3 May 2011. This report covers the fourth year of the contract.
- 1.4 The Grounds Maintenance Contract was re-tendered in 2007 and awarded to John O Connor Ltd from April 2008 for six years and nine months and with an extension of up to seven years.
- 1.5 Services include parks and open spaces, County Council highways verge grass cutting, shrub and hedge maintenance, (excluding "A" roads) under contract, seasonal bedding displays, cleansing services including litter collection, summer and winter sports pitches and fine turf, the upkeep of grounds on behalf of Riversmead Housing Association, play area maintenance and inspections and woodland management.
- 1.6 The Council agreed to extend the contract for a further five years following an extensive review and the extension began in January 2015.

2 Report

- 2.1 This section of the report details contract and contractor performance over the last twelve months for the Waste Services contract and the Grounds Maintenance contract, and compares this with the previous year. It also provides an update on some of the key initiatives undertaken by Environmental Services as a whole on associated environmental maintenance and enforcement activities.

Waste Services Contract Update

Refuse & Recycling

- 2.2 On 6 March 2013 Council approved a scheme to change the current kerbside sorting of dry recyclables using boxes to a dual stream comingled system, with paper being kept separate in a box and all other dry recyclables placed in a new 240 litre wheeled bin.
- 2.3 The introduction of SPARC (Separate Paper And Recycling Collections) has been very successful overall and the quality of the material collected was attracting a good level of income for the council. The price for the material was however downgraded to a lower level at the beginning of 2015 as the contamination

level had increased. Material such as nappies, black bag waste and electricals had all been present in some loads. There had also been incidents of dead animals being present in the material as well as a high level of soft plastics.

- 2.4 The price of oil has had an effect on material prices as the cost of virgin material is lower than it has been. At an international level many reprocessors now require a higher quality of material to meet local or EU standards. This puts reprocessors under financial pressures and they are less willing to accept materials that cannot be recycled. Collection crews have received further training to ensure that they have ownership of the quality of materials collected and are undertaking more checking of the materials presented.
- 2.5 The Council has also commenced a media campaign to remind residents of the materials that can go into each bin and discourage contamination.
- 2.6 The total amount of waste collected at the kerbside during 2014/15 was 53,966 tonnes of which 27,188 tonnes was sent to be landfilled.
- 2.7 The amount of co-mingled material and paper collected at the kerbside during 2014/15 was 12,194 tonnes.
- 2.8 The amount of material sent to be composted during 2014/15 was 14,365 tonnes.
- 2.9 The percentage of household waste recycled and composted was 49.62% for 2014/15 (provisional). This compares with a figure of 48.94% in 2013/14. This was despite there being a decline in the amount of paper collected, a national trend, believed to be the result of a move to electronic media.
- 2.10 In addition to encouraging recycling the Council also aims to persuade residents to minimise the waste they produce overall. This is done through media campaigns delivered both directly by the Council and through the Hertfordshire Waste Partnership (WasteAware). The amount of waste collected and disposed of from domestic properties fell last year by 4.92 Kgs per household, from 460.56 Kgs in 2013/14 to 455.64 Kgs (provisional) 2014/15.

- 2.11 The number of missed bins for the year ending in March 2014 was 53.54, per 100,000 collections compared to 29.18 year ending March 2015. The overall performance is lower than the target of 46. This represents a good performance and recovery, with monthly levels returning to their normal average after the introduction of SPARC, which involved the complete redesign of rounds and different collection days for most residents. Missed collection performance is shown in the graph in **Essential Reference Paper “B”**.
- 2.12 Rectification Notices are issued to contractors to require them to correct a service failure. Default Notices, which attract a financial charge, are issued if it is more serious or where a minor problem is not resolved in the time allowed. Rectification Notices are not issued for a ‘missed bin’ as although the crew can be sent back, the failure to collect first time cannot be corrected. In these situations a ‘Warning’ is logged. Repeated Warnings for failure to collect from the same property attract Defaults and other financial charges.
- 2.13 The contractor has now replaced the in-cab digital devices, which, along with a vehicle tracker system provide information on collection services and proof of attendance. The devices are also able to provide proof of contamination as a picture of the contamination can be sent electronically to the council, and is available to customer services staff should a resident query the reason that their bin was not collected.
- 2.14 The number of Rectification Notices issued for container deliveries was 116 in 2013/14 and 85 in 2014/15. These are issued where the contractor fails to deliver a replacement bin or box to a customer within five working days, as required by the contract. This is a good performance in the context that the contractor delivers around 2919 containers per annum.
- 2.15 The level of Defaults increased from 75 in 2013/14 to 97 in 2014/15, these defaults were for the collection part of the contract. There were 2 defaults for not delivering containers within the required 5 days during 2013/14 and 2014/15. Defaults are issued when rectifications have not been resolved satisfactorily or where the breach has been more serious. They attract a financial charge.

- 2.16 The commercial refuse collection service income for 2014/15 was £590,000 compared with £530,000 in 2013/14. A customer base of 645 was recorded at the end of March 2014 and this had increased to 699 at the end of March 2015, primarily small local businesses and schools. Clinical waste collection income was £122,700 in 2014/15, compared to £95,500 in 2013/14.
- 2.17 The Council continues to operate a successful shared clinical waste collection service with North Herts District Council.
- 2.18 During 2014/15 all of the 104 Abandoned Vehicles reported were inspected within the target time of 24 hours, 6 of these vehicles had to be removed by our contractor.

Refuse & Recycling Initiatives for 2015/16

- 2.19 As there is no scheduled changes to the service for the coming year a programme of education to reduce contamination is being carried out. The Service will explore the development and delivery of a campaign to promote the recycling of Waste Electrical and Electronic Equipment (WEEE), and investigate the feasibility of trade waste recycling using the 'comingled' collection system introduced as part of SPARC. This will consider financial and vehicle capacity issues.

Waste Offences

- 2.20 Contamination of recycling containers, unauthorised 'double bins' (where residents present more bins than they are allowed) and 'side waste' are monitored. This is necessary to minimise waste, maintain the quality and value of material collected and avoid rejection by re-processors, leading to a loss of income and additional costs of collection and disposal to landfill.
- 2.21 The Council's policy is to change behaviour through education and persuasion wherever possible. Residents that do not comply with the Council's rules for presenting their waste will have an advisory sticker attached to their bin initially and this is recorded. Further non-compliance may result in the Council sending up to three, progressively firmer advisory letters. Continued failure to comply within a six month period, may result in a formal Notice being issued under Section 46 of the Environmental Protection Act (1990). If the Notice is breached then a Fixed Penalty Notice (fine) may be issued. In 2014/15 , 1014 letters were sent to

people for their second 'offence', (crews sticker contaminated bins and boxes initially) 252 letters were sent following a third 'offence' and 55 letters were sent following a fourth 'offence'. The letters are considered to be effective as can be seen above that the number of people being written to more than once declines sharply.

Street Cleansing

- 2.22 The Environmental Protection Act (1990) determines the standards that must be met and the inspection criteria to be used in determining the performance of the street cleansing operation. Contractor performance is measured by the Council's Environmental Inspection Team, which conducts both programmed and complaint led inspections, grading streets accordingly. Members who attended the recent Councillor induction training on 16 May will recall how the grading scheme works.
- 2.23 Prior to 2011 the Government required inspections to be conducted against specific criteria and these were used to calculate statutory national indicator NI 195. From April 2011 this was no longer a Government required indicator; however in accordance with the decision of the Executive Committee in March 2011 these inspections continue in this format as a 'local' performance indicator to track service standards.
- 2.24 This indicator is based upon sample surveys conducted three times a year, totalling 900 inspections. The format and sample size were previously set by Government. It calculates the percentage of inspections that identify significant levels of litter and detritus (road dirt). The lower the percentage, the higher the performance.
- 2.25 East Herts performance against this indicator was 2.5% for litter and 4.94% for detritus in 2013/14. In 2014/15, litter decreased to 1.67% and detritus increased to 5.47%. Litter levels have improved overall, particularly in industrial areas and on rural roads, some main road areas continue to be problematic. The latter was due to access restrictions to the central reservations of dual carriageways and using traffic management as road space was not granted by The Highways Authority – Hertfordshire County Council (HCC). This is because The A10 and the A414 are permanent diversion routes for the motorways

around East Herts. During busy times they must be kept fully operational and restrictions kept to a minimum. HCC's contractor responsible for grass cutting on the fast roads of East Herts has now started to cut grass during the evening and into the night. Litter is now being collected alongside the grass cutting operation and although this is a trial, early indications have been positive. Street cleaning complaints are shown in the graph in **Essential Reference paper B**.

- 2.26 Detritus in areas with high levels of parked cars increased compared to the previous year, and a program to improve this has been agreed with the contractor. East Herts continues to have a very low level of litter problems compared to many local authority areas and the low percentage reflects this. This is substantiated by a decrease in the number of complaints made regarding cleansing issues. Regular inspection of the district's streets by the Area Environment Inspectors has resulted in better performance and quick action taken to resolve any issues.

Litter

- 2.27 There were 558 'complaints' in 2014/15 compared with 580 in 2013/14 – a decrease of 22 (3.4%). Of the complaints received last year, only 27 were 'validated complaints' against the contractor's performance – i.e. the contractor had failed to clean an area to the required standard. The remainder were regarding areas that are not part of the scheduled contract work and therefore not a contract performance failure. Analysis is also carried out to determine, which roads feature more frequently, enabling changes to be made in the frequency of cleansing, litterbins to be added if required, and any contractor performance issues to be addressed.
- 2.28 Rectification Notices for Street Cleansing were 112 in 2014/15 compared to 116 in 2013/14. The level of Defaults, where Rectifications have not been resolved satisfactorily or where the breach has been more serious, has remained low with 7 defaults being issued in 2013/14 and 17 in 2014/15. The number of defaults issued to the contractor increased in 2014/15 in response to some issues with the quality of litter picking and mechanical sweeping which were identified by the inspection team. In response to these the contractor has clarified with the litter picking crew the expected standards, amended rounds to balance workload and improved communication with the client.

Fly Tipping

- 2.29 The average time to clear fly tips increased from 1.41 days in 2013/14 to 1.7 days in 2014/15. This remains well within the expectancy of 2 days. The number of recorded fly tips has decreased 6% from 821 Fly tips in 2013/14 to 774 in 2014/15. The Council's officers continue to be involved in partnership working with the police and other agencies to target unlicensed waste carriers through roadside stop and searches (Operation Agrarian), and the Fly Tipping Working Group, where Hertfordshire councils and other agencies meet regularly to share knowledge and best practice with regards to tackling fly tipping. East Herts officers have also attended seminars from Keep Britain Tidy to share ideas and learn best practise.

Other initiatives – environmental management

- 2.30 In the last 12 months, the service has continued with the following initiatives connected to environmental management.
- 2.31 The Council has been working with the RSPCA and Riversmead Housing Association on improving their Pets Policy for their tenants.
- 2.32 East Herts continues to work in conjunction with its contracted kennelling service to microchip dogs within their care. This is in line with the new legislation coming into force in June 2016, which requires all dogs to be micro chipped.
- 2.33 East Herts is working in conjunction with the Police to provide education to the public with regard to control of dogs.

Dog Fouling Campaign

- 2.34 In March 2015 the Council joined forces with environmental charity Keep Britain Tidy and other Councils around the country for the "We're watching you" anti-dog fouling campaign. This is an innovative way to tackle dog fouling which involves putting up glow in the dark signs in dog fouling hotspots to try and change people's behaviour. These signs were trialled at three sites in the District and the initial response was positive, showing an overall reduction of 46.7% across the 3 sites. The initiative will now be used as part of a range of measures to tackle dog fouling in other hotspots.

Illegal Transport of Waste

- 2.35 There were 8 vehicle 'stop and search' events held during 2014/15, in association with the Police and other enforcement agencies including VOSA (Vehicle and Operator Services Agency), HM Revenue and Customs, UK Border Control and HCC Trading Standards, as part of Operation Agrarian, this compares with 4 in 2013/14.
- 2.36 The main objective is to find those transporting waste without a Waste Carriers Licence, a criminal offence. It is also an opportunity to remind those who produce waste that they have a responsibility to ensure that their waste is properly disposed of.
- 2.37 Since September 2014 officers have spoken to 308 commercial vehicle drivers, 46 of those regularly carry waste and had the correct licence. The objective of this regular activity is to work with other agencies to find those transporting their waste without a Registered Waste Carriers Licence, as these are often the perpetrators of fly tips.

Enforcement

- 2.38 In 2014/15 - 50 environmental crime related offences were investigated, with 4 Fixed Penalty Notices issued for littering. These investigations breakdown to, (previous year in brackets):
Fly tipping offences – 19 (40)
Waste offences – 6 (12)
Litter offences – 6 (7)
Dog Fouling – 8 (10)
Issuing of free literature without permission – 7 (none)
- 2.39 Decreases in investigations of waste offences could be attributed to the joint operations with Hertfordshire Police such as Operation Agrarian which has raised awareness and improved compliance. Investigated fly tip offences decreased by 21 from 40 in 2013/14 to 19 in 2014/15. Additionally it has been more difficult to find evidence to identify the perpetrators and the type of waste fly tipped has changed. In 2014/15 there were less small fly tips of household waste and more of commercial waste. The Council's approach to tackling environmental crime remains robust, through its publicity programme, displaying anti-fly tipping signs in 'hot spot' areas designed in house and supplied

by the Environment Agency to warn potential offenders that the area is under surveillance. The Council also continues to work in partnership with local landowners to ensure potential fly tipping hot spot areas are made inaccessible thus discouraging the activity.

Grounds Maintenance

- 2.40 Performance in 2014/15 has continued at a good standard and at a lower cost following the savings negotiated as part of the final agreement to extend the contract for a further 5 years.
- 2.41 The contractor has achieved these savings without adversely affecting performance in various ways. These include reduced vehicle and plant depreciation costs, realising the savings from not re-tendering and realising the value of committed long term revenue.
- 2.42 Some of the contract improvements offered as part of the extension agreement have already been implemented, such as live access to the vehicle tracking system allowing officers to monitor activity effectively. The location of operative teams can be pinpointed enabling rapid resolution of health and safety issues or traffic incidents reported by the public. For example, client staff are swiftly able to establish that a “white van” allegedly causing a problem was not one of our contractor’s fleet. Contract shrub manuals and hedge data have been improved to inform work programmes leading to a more proactive approach to deal with ‘sight line’ issues – cutting back on highways to improve the view for drivers and therefore vehicle safety.
- 2.43 An employee of the month scheme has been initiated to recognise those employees who ‘go the extra mile’, setting an example for others to follow by displaying civic pride, or who have consistently delivered higher standards.
- 2.44 More intensive service improvement workshops are held to discuss what works well and what could be done better.
- 2.45 Greater direct working relationships have been established to support our ‘Friends of (the park) Groups at our major parks.

- 2.46 Further trial beds of annual wild flower seeds have been sown at high profile sites across the district to explore a more sustainable alternative to annual bedding in some places and to develop habitats to attract bees and butterflies in a controlled way which is not always possible to achieve through our normal grass maintenance regimes.
- 2.47 Measured lines (running tracks) are being provided and maintained in certain parks to promote participation in physical activity in East Herts green spaces.
- 2.48 Work has begun to meet a new target of ensuring at least 40% of the workforce has achieved a level 2 NVQ/WBD qualification.
- 2.49 The contractor has performed well despite weather conditions which promoted vigorous plant growth. 2014 was especially wet and ranked as the 4th wettest in our records (2012 was the wettest on record). The total rainfall figure for 2014 was 924 mm; the annual average is 733 mm. January and February 2014 each ranked as the wettest month on month in our records. The overall mean temperature for the year was above average at 11.23°C (The average is 9.80).
- 2.50 Despite this, the contractor has utilised resources well and adapted to cope with the conditions. Customer enquiries peaked in July, but were evenly low throughout the summer months showing an overall decrease of 2.7% from last year (539 down from 554).
- 2.51 The average level of complaints has decreased further from the consistently low achievements last year; from 520 in 2013 to 274 in 2014. Peaks in complaints came in June relating to a late flush in grass growth and in July/September in relation to hedge growth prior to the scheduled prunes. 'Validated' complaints (where the contractor was at fault) have fallen again this year from 126 in 2013 to 39 in 2014. The contractor is obliged to cut grass all through the year to maintain the performance standard regardless of growth, but is only contracted to cut hedges twice a year. Complaints related to hedge growth therefore are not 'valid' complaints against the contractor where a scheduled hedge cut was imminently due. The level of complaints relating only to grass cutting is a key indicator of performance. There were 38 last year and only 13 in 2014. To put this in to context

we allow a maximum allowable level of complaints based on a year from the previous contract which was known to be unacceptable. The level of grass complaints in 2014 ran at an average of only 10% of that allowable level. Grounds performance for validated complaints and number of rectifications are shown in the graph in **Essential Reference Paper “B”**.

- 2.52 Monitoring of the contract has been consistently vigorous. It reflects good compliance and minimal intervention required by customers. Our Area Environmental Inspectors (AEIs) issued 145 rectification notices to the contractor this year in comparison with 72 raised in response to complaints from customers. The service aims to identify any issues swiftly before customers find it necessary to complain. This combined with a focussed commitment by the contractor to respond very quickly to rectifications has retained the low level of complaints.
- 2.53 The contractor continues to provide an effective level of “on the ground” supervision. In addition to weekly and monthly compliance meetings with supervising officers, the contractor also organise a useful annual meeting between operational staff and our AEIs to maintain an understanding of expectations and to promote good communication. Resources are organised in a flexible way to respond to seasonal pressure points. Our weekly “compliance audit” tests against five elements of performance. It shows the levels of performance relating to the efficiency of the contractor's work programme and the accuracy of their own supervision reports. These tests revealed a consistent near faultless performance in these areas of 2.7% for 2014 following 1.6% in 2013 and 3.1% test failures in 2012.
- 2.54 They have purchased 6 new ride-on grass cutting machines (all with tilt control mechanism), 5 new contract vehicles (one is 4wheel drive) and 2 new tractors.
- 2.55 During 2014 as they have prepared for the new contract extension they have improved consistent and flexible service delivery by investing in machinery that they had previously hired in at defined intervals. The contract now benefits from a remote control mower to deal with steep banks such as the ancient monuments in the castle gardens and a specialist verti-drainer that reduces compaction and aerates our football pitches.

- 2.56 Further improvements have been organised to the open space grass cutting regime to implement swathes of long grass areas around perimeters to allow the development of more diverse habitats. These areas are changed to biannual conservation cuts.
- 2.57 Staff have received further training to provide more community safety accreditation and the contract has been working closely with our Environmental advisors, the Countryside Management Service, to improve our annual woodland maintenance works.
- 2.58 The employee of the month incentivisation initiative has been expanded to include a bonus scheme for grass cutters to complete their rounds to a high standard within a targeted timeframe.
- 2.59 Staff round sheets are now provided to officers electronically providing for more effective monitoring and leading up to further improvements expected through the contract extension works to provide a web based monitoring system.

3.0 Implications/Consultations

- 3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**,

Background Papers - none

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