

EAST HERTS COUNCIL

ENVIRONMENTAL SCRUTINY COMMITTEE - 26 JUNE 2012

REPORT BY HEAD OF ENVIRONMENTAL SERVICES

CONTRACT PERFORMANCE – ENVIRONMENTAL OPERATIONS

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To advise Members of the current performance of the two main contracts for Waste Services (Refuse and Recycling, Street Cleansing) and Grounds Maintenance.

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

1.1 The Environmental Services department delivers a number of services through a range of contracts and 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 new 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 May 2011.

- 1.3 At award the Council decided to increase the range of recyclable materials collected to include mixed plastics types 1-6 at an additional cost of £261,000 per annum. This was offset by the £1.5m saving per annum over the previous contracts.
- 1.4 Following the award of the contract, officers entered into discussions with North Herts Council (which also contracts with Veolia) about the potential for shared services. The objective was to identify possible efficiency opportunities. It was agreed that resources for clinical waste collection and pavement washing would be shared between the two authorities, generating further financial savings for the same level of service.
- 1.5 The Grounds Maintenance Contract was re-tendered in 2007 and awarded to John O Connor Ltd from April 2008 for six years and 9 months with a possible extension of up to seven years. The Contract includes additional elements to undertake most highways grounds maintenance (A roads are excluded) on behalf of Hertfordshire County Council and also the maintenance of grounds adjacent to ex-Council estates owned by Riversmead Housing Association. This contract is due to be reviewed in 2012/13 to consider whether it should be extended or a new contract let from January 2015.

2 Report

- 2.1 This section of the report details contract and contractor performance over the last twelve months 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.

Refuse & Recycling (ARC)

- 2.2 The Alternate Refuse and Recycling collection service (ARC) was introduced in November 2009. In May 2011 in conjunction with the award of the new contract it was extended to include Plastics types 1-6 with popular response from our residents.
- 2.3 In addition, communal properties have been able to take advantage of the extended service and plastics types 1-6 are now being collected from flats. This service was extended in May 2011 on a town by town basis and the service is now available throughout the District.
- 2.4 The contract required that new vehicles be provided for all services. Through the specification of vehicle type new, narrower vehicles for difficult access areas, the service has been able to include and provide organic collections and recycling collections to additional properties previously unsuitable for a collection service.
- 2.5 Following some minor teething problems, the new contract is delivering very high performance levels for waste collection and recycling services.
- 2.6 There was a slight increase in the level of missed bins per 100,000 collections from 34.56 in 2010/2011 to 36.80 in 2011/2012 this was largely due to the first 2-3 months of the new contract being higher than average, however this was expected and once the new contractor had settled in performance began improving consistently and continues to exceed the Council's target level of 50. Standards are continually monitored and any shortfalls in service delivery are rectified swiftly and efficiently.
- 2.7 The percentage of household waste recycled and composted has increased again slightly from 48.28% in 2010/11 to 48.35% in 2011/12, falling slightly below the expected target of 50% however with the inclusion of plastics types 1-6 and a full years service development the target for 2012/13 remains set at 50% and the service expects to meet this target.
- 2.8 As part of the new contract with Veolia, Refuse and Recycling vehicles, are now fitted with a real time tracking

device that allows supervisory staff to see where each crew is, or where they have been at any given time via a remote system.

- 2.9 Crews are now equipped with mobile hand held devices using a system called ECHO. This allows crews to record any collection service issues electronically. This data is then uploaded and made available to Environmental Services customer contact staff almost instantly via a web based system. Photo's of contamination, access issues, side waste etc can also be taken and uploaded using this system. These new systems allow the Council to help and advise residents more effectively about the content and presentation of their containers which has resulted in more rapid and improved customer service and a reduction in complaints about potentially missed bins.
- 2.10 The commercial refuse collection service suffered a slight decrease in gross income in 2011/12 of £456,500 against an estimate of £475,200. This is largely due to the economic downturn, however the service has also increased its customer base from 548 in 2010/11 to 558 2012/12, which shows that whilst our customers may be reducing their capacity or frequency of collections we are still retaining our customers overall, and gaining new business which adds weight to our customer service levels.
- 2.11 In 2012/13 it is intended to re-configure collection rounds. This will make the service even more flexible and take advantage of 'round optimisation' to ensure efficiencies in service.
- 2.12 Our target income for 2011/12 for clinical waste collections was £60,400 we exceeded expectations with an actual income of 74,253 some £13,853 above target. This was in spite of changes to the Hazardous Waste Regulations and statutory requirements requiring a complete change to collection procedures and customer waste sacks.
- 2.13 New regulations surrounding the separation of offensive and infectious waste and requirements by our business customers to complete consignment notes have been implemented extremely smoothly seeing no loss in customer base.

2.14 This may also result in savings later on in 2012/13 when the new regulations are implemented at the waste transfer stations. It will ensure that the correct disposal rates for the different types of waste are used more accurately. Financial benefits will be reported once these are known. East Herts Council was one of the front runner's county wide, to complete the transition and is now assisting our neighbouring authorities with best practise.

Initiatives for 2012/13

2.15 Declining tonnages as a result of the economic downturn have impacted negatively on the Council's income stream from the sales of materials and a project is underway to encourage residents to recycle more of their waste in the lower performing areas. Details of the initiative are provided in a separate report on the agenda of this meeting.

2.16 In addition to the operational performance benefits of the waste services contract, new, more efficient vehicles procured are expected to deliver significant savings in the Council's carbon footprint. In addition to the tracking systems mentioned above, vehicles are also fitted with a device that measures driver performance, which encourages fuel efficient driving. Carbon savings will be reported to this Committee as part of the next update of the Climate Change Action Plan.

Street Cleansing

2.16 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.

2.17 In addition, the previous Government required additional inspections to be conducted against specific criteria and these were used to calculate statutory national indicator NI 195. From April 2011, this is no longer a Government required indicator; however in accordance with the decision of the Executive Committee in March 2011 these

inspections will continue in this format as a 'local' performance indicator to track service standards.

- 2.18 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. East Herts performance against this indicator was 1% for litter and 10% for detritus in 2010/11. In 2011/12, litter increased to 2.3% but detritus fell to 6.9%. East Herts has a very low level of litter problems compared to many local authority areas and the low percentages reflect this. Better channel cleansing under the new street cleansing contract has improved detritus levels across the district. The increase in litter was primarily on the main roads. The contractor cannot litter pick many of the main roads without traffic management to ensure the operatives' safety. This has previously required liaison with Hertfordshire Highways grass cutting team. However, following the reduction of grass cutting on A roads to twice a year by the County Council, the waste services contractor now arranges its own traffic management which allows for litter picking at other times when grass is not being cut
- 2.19 There were 807 complaints in 2011/12 compared with 719 in 2010/11 – an increase of 88 or 15% (See Essential Reference Paper 'B'). This is mainly due to teething problems with traffic management in the first year of the contract and an exceptionally warm, dry late winter/early spring with more residents enjoying the outdoors. From 2011/12 the service has also begun measuring 'validated' complaints – i.e. those which relate to the performance of the contractor. Of the complaints received last year, only 114 were 'validated complaints' against the contractors performance. The remainder of the complaints were regarding areas which are not part of the scheduled contract work and therefore not a performance failure. Where complaints occur regularly in the same area the service will look at adding additional works to the contract schedule.

2.20 The number of recorded fly tips decreased by 41% from 2010/11 to 2011/12 (1510 down to 889). The most significant decreases were in single black bags (83% decrease) and transit van loads (54% decrease). The decrease in single black bags may be due to the reduction in the number of recycling banks in the district as smaller flytips were often found in these locations. The reduction in transit van loads may be due to the continued targeting of unlicensed contractors carrying waste and also increasing residents' awareness of their responsibilities regarding waste disposal. Efforts to tackle waste related environmental crime have continued with East Herts working in partnership with the Police, Environment Agency and other Hertfordshire Districts to tackle commercial fly tipping through joint intelligence and enforcement action.

2.21 In the last 12 months, the service has continued with the following initiatives connected to environmental management:

- Tackling dog fouling through a media and enforcement campaign. This included raising awareness of the problems and penalties via posters in key sites such as veterinary surgeries plus additional signage to highlight this anti-social behaviour. The publicity also encouraged residents to help the Council by identifying perpetrators and additional, targeted patrols were carried out by Environmental Inspectors.
- Anti-litter signs have been placed in key locations (along main roads including A10 and A414) and on Environmental Inspectors vehicles
- Joint campaign with McDonalds to highlight and remove litter from area around Rush Green roundabout.
- Further work will take place in 2012/13 to involve local businesses in reducing litter in known problem areas.
- Continuing to identify sites where waste is habitually dumped as 'hotspots' and surveys carried out to identify solutions such as signage, physical restrictions, or increasing site surveillance.
- 3 vehicle 'stop and search' events in association with the Police and other enforcement agencies, two of which were in Buntingford as part of 'Operation

Agrarian'. The objective was to discourage the illegal transport of waste, which is often associated with fly tipping.

- In 2011/12, 11 FPN's were issued for littering and 1 FPN was issued for nuisance vehicles.
- 138 offences were investigated (including those where an FPN was the result), 14 more than the same period the year before. The following offences were investigated in 2011/12:

60 Fly tipping offences
31 Waste offences
9 Litter offences
2 Graffiti and Fly posting
19 Dog Fouling
12 issuing of free literature without permission
2 tree offences
3 other

2.22 Waste offences (contamination of recycling containers and side waste) are also monitored. This is necessary to maintain the quality of material collected and avoid rejection by re-processors, leading to a loss of income and additional costs of disposal to landfill. Residents are given a series of advisory letters and then warnings if advice is not taken following their first 'offence' (if this occurs within a 6 month period). In 2011/12 - 617 letters were sent to people for their second offence, 120 letters were sent following a third offence and 11 letters were sent following a fourth offence. Under section 46 of the Environmental Protection Act 1990 the Council has powers to serve a notice on the occupier of a property to ensure that recycling or refuse is placed for collection in receptacles of a kind and number specified, or in a particular location at a particular time. Failure to comply with such a notice can lead to Court action or a Fixed Penalty Notice being issued. No Section 46 notices were issued in 2011/12.

2.23 The service is continuing to undertake Environmental Crime road shows to raise awareness about these issues and the associated penalties. Events in 2011/12 included:

- King George Road event in July

- Southern Country Park in July for Love Parks Week
- Pishiobury Park in July for Love Parks Week

Grounds Maintenance

- 2.24. The grounds maintenance contract with John O'Conner (GM) Ltd has now been in place for five years. Performance in 2011/12 has generally been very good.
- 2.25 The overall level of validated complaints fell by 35% to 131 in 2011 compared to 202 in 2010.
- 2.26 Rectification Notices are issued to contractors to require them to correct a minor issue. Default Notices, which attract a financial charge, are issued if it is more serious or where a minor problem is not resolved quickly. Rectification Notices decreased by 56% from 379 in 2010/11 to 166 in 2011/12. The level of Defaults where Rectifications have not been resolved satisfactorily or where the breach has been more serious has remained extremely low. No defaults were issued between 2011/2012 (See **Essential Reference Paper 'B'**).
- 2.28 The contractor has developed a strong and effective level of supervision utilising a carefully revised programme of works and working closely with the Council's Area Environmental Inspectors. The 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. Both these tests revealed a consistent near faultless performance in these areas with 2% test failures for 2011 compared with 3% for 2010.
- 2.29 In addition, considerable improvements have been implemented to ensure that the contract achieves a consistently high standard. The following elements are now being used:-
- An improved program of works for the whole year which ensures that all tasks are carried out at the correct time of year taking into account seasonal variations and customer requirements.

- In addition to this a winter work program has been developed that ensures previously areas of woodland and scrub determined to be 'Ad hoc' are maintained with a more systematic approach. Working with both the incumbent contractor and utilising the expertise of local arboricultural specialists this has enabled better forward planning and the removal of "problem" areas that had previously generated complaints.
- Supervisors and managers meet regularly with organisations such as the Police, County Council, Housing Associations and In Bloom groups to ensure communication avenues are kept open. These meetings provide essential information on local issues and feedback from customers.
- Continued development of 'Friends of Groups' also establishes links to the local community and introduces an additional and valuable presence on site in our parks.
- The contract supervisors and operatives meet on a regular basis throughout the year with the Council's Area Environmental Inspectors to discuss performance and operational issues.
- Play inspections continue to be managed electronically with hand held computers and a data base that streamlines response times and record keeping between the contractor and the Council.
- Council officers take an active part in the contractors' periodic audits that cover health and safety, quality and environmental management systems.
- The contractor continues to operate seasonal hours for their staff (longer hours in summer and shorter hours in winter) providing a more efficient use of resources.
- The contractors' shrub manual is used to identify the precise types and quantity of shrubs in beds across the district and their horticultural needs. This informs a planned approach to the replacement of shrubs where needed and that pruning is carried out at the correct time of year for specific species.
- The contractor has provided all staff with the opportunity to take NVQ level 2 qualifications which is proving to be a useful addition as all areas of maintenance can now be monitored with greater care. They have also introduced an apprenticeship scheme that aims to improve widen the

availability of skilled staff in the sector as well as providing opportunities for local young people.

- This continuing level of performance has helped to ensure standards are maintained, which is essential especially when reapplying for 'Green Flag' (a national accreditation scheme for parks) for the Ridgeway and Southern Country Park in May 2011, (following the large scale improvement works carried out at both sites utilising external funding).

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

Essential Reference Paper "B"

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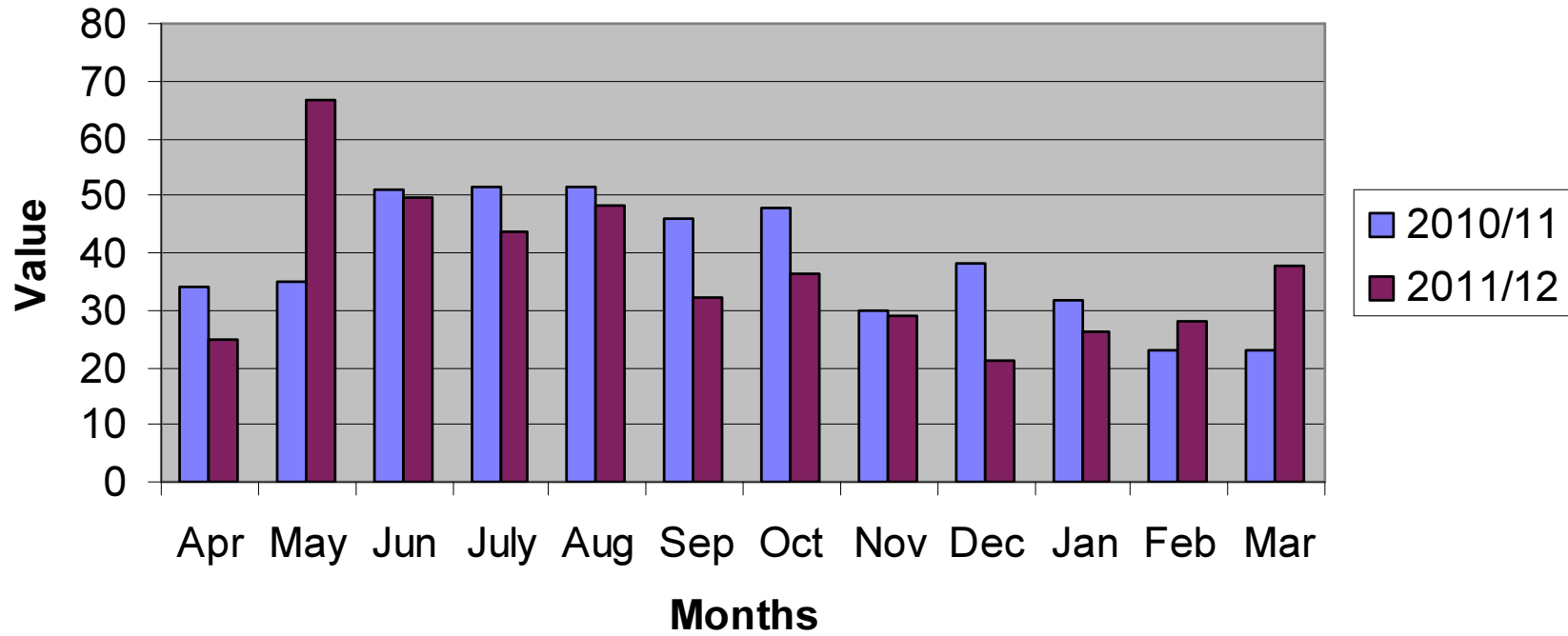
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ESSENTIAL REFERENCE PAPER 'A'

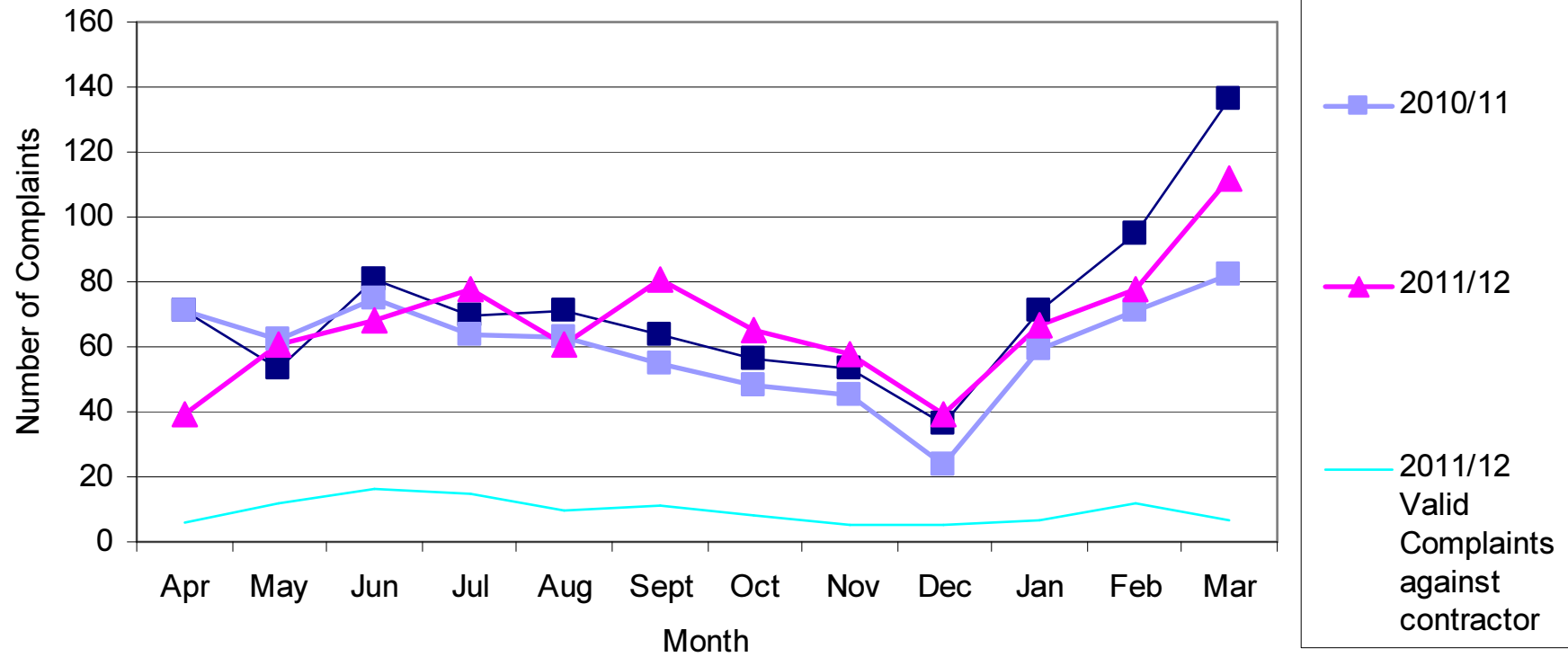
IMPLICATIONS/CONSULTATIONS

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	Place This priority focuses on the standard of the built environment and our neighbourhoods and ensuring our towns and villages are safe and clean.
Consultation:	<i>There has been no specific consultation in relation to this report. Resident's satisfaction with waste and recycling services is captured through the residents survey, every 2 years. This was last conducted in November last year and reported to Joint Scrutiny Committee on 14th February 2012.</i>
Legal:	<i>There are none.</i>
Financial:	<i>There are none for this report.</i>
Human Resource:	<i>There are none</i>
Risk Management:	<i>When surveyed, residents consistently place these services among their highest priorities and it is important that the Council continues to deliver high quality environmental operations services.</i>

Missed Refuse & Recycling Containers per 100,000 collections



Street Cleansing Complaints Comparison



Grounds Performance Comparison

