



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

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| Title of Report: | SMARTER Waste Collection – Six Month Review |
| Meeting of: | LAG |
| Date: | 31st October 2018 |
| Is this an Executive Decision: | YES |
| Is this a Key Decision: | NO |
| Is the Report Confidential: | NO |
| If so, please state relevant paragraph from Schedule 12A LGA 1972: | N/A |
| <p>Essential Signatories:</p> <p>ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE</p> <p>Monitoring Officer: Angela Wakefield</p> <p>Date Signature</p> <p>Chief Finance Officer: Sal Khan</p> <p>Date Signature</p> | |

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Cabinet

Date: 12 November 2018

REPORT TITLE: SMARTER Waste Collection – Six Month Review

PORTFOLIO: Environment

HEAD OF SERVICE: Sal Khan

CONTACT OFFICER: Paul Farrer Ext. No. x1599

WARD(S) AFFECTED: All

1. Purpose of the Report

- 1.1. To provide a six month update on the SMARTER waste collection business plan following its implementation in March 2018.

2. Executive Summary

- 2.1. In March 2018, the Council implemented its SMARTER waste business plan in response to the pressures being faced in waste collection, primarily due to housing growth across the Borough.
- 2.2. The business plan sought to address these pressures through the procurement of two additional refuse collection vehicles and the implementation of an optimised round plan. Central to this was to deliver an improvement in the recorded finish times of collection crews, balance out workloads and maximise efficiency within the service by making the best use of the available resources.
- 2.3. This report provides a six month update on the progress that has been made and makes reference to a recent internal audit of the project.

3. Background

- 3.1. In July 2017, Council Cabinet considered a report entitled 'SMARTER Waste Collection' which highlighted the impact that housing growth was having on its waste collection service. This report recognised the pressure that housing numbers (as set out in the East Staffordshire Local Plan 2012 - 2031) were having on the service, resulting in a significant proportion of collection rounds not being

completed within a standard working day. This had led to an increase in overtime payments and was placing a strain on the workforce.

- 3.2. The Cabinet report was supplemented by Executive Decision Record 782/17 which approved the introduction of further efficiencies in waste collection through the implementation of an optimised waste collection round plan and workforce zoning.
- 3.3. Cabinet approved the recommendation in the report, which called for the procurement of two additional refuse collection vehicles (RCVs) to support the new round plan and to address the pressures of housing growth.

4. Contribution to Corporate Priorities

- 4.1 This report supports the Council's first corporate priority; Value for Money Council Services – Protecting Your Money

5. Internal Audit

- 5.1. CW Audit completed an audit of the SMARTER waste project as part of the 2018/19 internal audit plan agreed by the Audit Committee. The report assessed the plan against 4 system control objectives, as follows:
 - a) The recommendation made to Cabinet to procure additional vehicles and employ additional staff was based on documented, accurate evidence of the issues facing the waste collection service and of the benefits that would be gained through increasing the number of collection routes;
 - b) Waste collection staff were appropriately consulted about proposed route adjustments, with the risks associated with implementation of new routes(principally, missed bin collections,) being minimised;
 - c) The public were appropriately advised of the changes in waste collection days to minimise the risk of complaints;
 - d) Monitoring of the outcome of the project's implementation is appropriate and based on accurate data.
- 5.2. A copy of the full report is attached as Appendix 1. Significant assurance was awarded for the first two objectives, with full assurance secured for the final two. Overall, the audit achieved a significant assurance level.

6. Progress Against Key Objectives

- 6.1. The timescales for delivering the changes were clearly set out in an implementation project plan which set targets for the key objectives of the project, including route optimisation, vehicle procurement, employee consultation and recruitment, health and safety, and householder communication.
- 6.2. All the deadlines were successfully met and the new service commenced operation on 5 March 2018.

Vehicle Procurement

- 6.3. The Council utilised route optimisation software to model the collection rounds. This software balances workloads between vehicles to ensure that these assets are used to maximum effect and that any spare capacity is minimised. The software indicated that two additional vehicles were required; one standard refuse

collection vehicle (RCV) for residual/garden waste and one split bodied RCV for dry recycling respectively.

- 6.4. These vehicles were procured via a non-material amendment to the Council’s current Fleet Contract, in accordance with The Public Contract Regulations 2015. Each vehicle was equipped with the Council’s vehicle tracking and data management software.

Employee Consultation and Recruitment

- 6.5. Whilst there were no planned changes to employee terms and conditions, it was recognised that it would be beneficial to consult with the trade union (UNISON) on the proposed collection round changes. This would ensure that all affected employees were aware of the changes and had the opportunity to comment on the proposals. Crucially, their knowledge and experience of the collection rounds was vital in successfully delivering the changes.
- 6.6. Employees were consulted on two key stages; the overall principle of the round changes and the detailed restructuring of the collection crews. New crews were established, drawing on existing experience and knowledge of ward areas whenever possible.
- 6.7. In addition, two HGV drivers and four loaders were successfully recruited to address the increase in vehicle resources.
- 6.8. The internal audit report awarded significant assurance for this element of the project.

Resident Communication

- 6.9. This represented one of the key challenges in successfully delivering the business plan. Accordingly, a communication strategy to inform over 50,000 households of the changes was developed and agreed with the Deputy Leader for Environment.
- 6.10. A three phased approach was adopted as set out in Table 6.0 below. In addition, the Council issued a series of press releases, and published information on its web site and on social media.

| Action | Communication | Timescale |
|---|--------------------------|---------------------------------|
| Initial notification of future changes to waste collection service | Tags placed on bins | December 2017 (weeks 1, 2) |
| Delivery of New Collection Calendars, including changes to collection day and material stream | New Collection Calendars | January 2018 (weeks 2, 3, 4) |
| Reminder of changes coming into effect on week commencing 5 March 2018 | Tags placed on bins | February 2018 (weeks 1, 2) |

Table 6.0 Communication Timetable

- 6.11. There were some recorded incidents of calendars not being delivered to individual households or small sections of streets. In such cases, duplicate calendars were delivered to resolve any uncertainty.

- 6.12. The Council received just one formal complaint regarding the collection changes which centred on the additional days a resident would have to store waste due to a collection day change. As part of the new service, the Council stated that it would collect additional 'side waste' for the first three weeks to accommodate increased tonnages as a result of the changes.
- 6.13. It should be noted that the internal audit report awarded full assurance for this element of the project.

New Service Commencement

- 6.14. As set out in paragraph 6.2 above, the revised collection service commenced on 5 March 2018 in accordance with the original project plan. East Staffordshire experienced heavy snowfall on 1 and 2 March which led to the suspension of the waste collection service on those days and resulted in a significant number of households not receiving their usual collection. In such circumstances, the service implements its adverse weather contingency plan as part of its business continuity procedures.
- 6.15. After the second day of disruption (Friday 2 March), a decision was taken to suspend garden waste collections for the first week of the new service, commencing 5 March. This decision enabled the Council to redirect resources to address the significant backlog of households that had not received their collections due to the weather conditions. It also prioritises residual waste and dry recycling over the collection of garden waste since tonnages of the latter are generally low at this time of year due to the colder weather conditions.

7. Project Outcomes

- 7.1. The key objectives of the SMARTER waste plan were to address the current pressures on the service in terms of finish times, the demands on the workforce and to maximise efficiency within the service by making the best use of the available resources. The route optimisation software seeks to address this by balancing out workloads.

Balancing Collection Tonnages

- 7.2. As a result of housing growth, total annual collection tonnages for residual waste are steadily increasing, with a 12.5 percent increase in the last five years. In the first six months since the changes, the total tonnage collected was slightly lower (0.3%) that in the same period the previous year, although it is anticipated that, by the end of the financial year, the trend in increasing tonnages will continue. This is detailed in Table 7.0 below.

| Period | Total Residual Waste (t) | Average per Collection Round (t) |
|----------------------|---------------------------------|---|
| 01 Mar - 31 Aug 2017 | 9,695 | 1,349 |
| 01 Mar - 31 Aug 2018 | 9,664 | 1,184 |

Table 7.0 Residual Waste Tonnages

- 7.3. Importantly, the figures also indicate a reduction in the average tonnage collected across the rounds, reducing from 1,349 tonnes to 1,184 tonnes. This is an

improvement of over 12 percent and helps to reduce the demands on each individual collection crew.

- 7.4. The graph in Figure 7.0 below indicates the total tonnage collected by each crew and provides a comparison against the previous year. This again demonstrates an improvement in the distribution of workload across the workforce. There will always be some imbalance in these figures due to the differences in collecting waste in an urban and rural area, although it is proposed that these figures will continue to be monitored to see if further small amendments can be made.

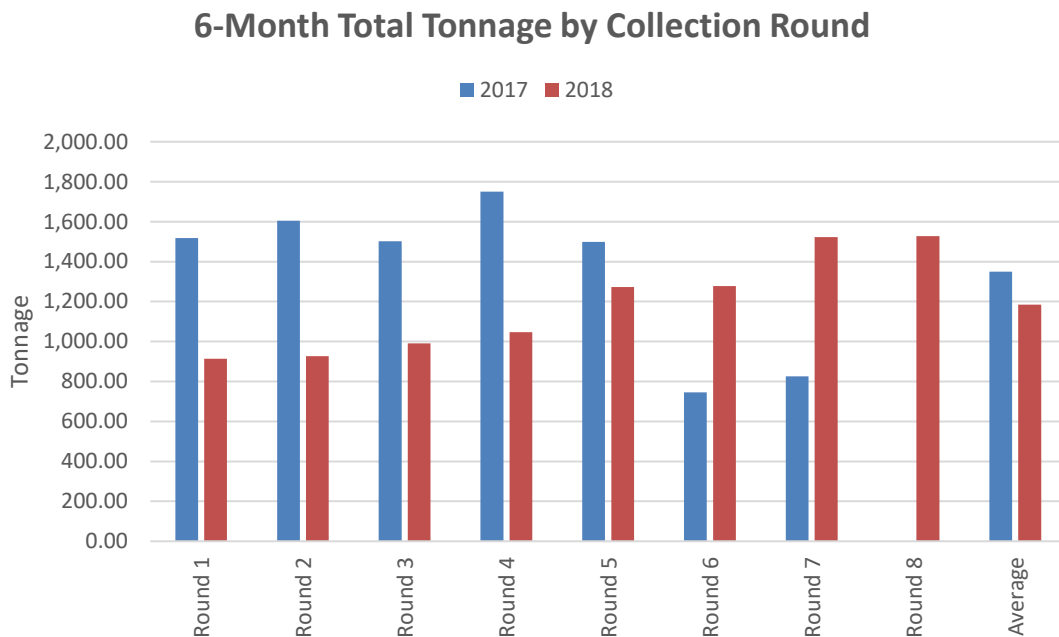
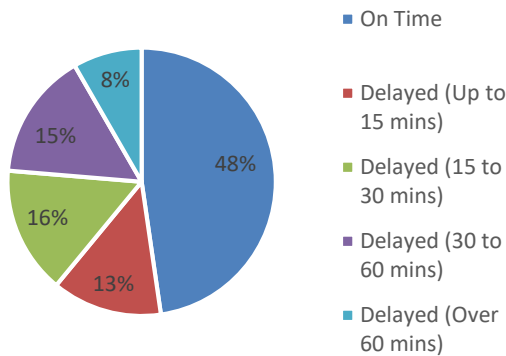


Figure 7.0 Residual Waste Tonnage – Collection Round Comparison

Finish Times

- 7.5. One of the key concerns with the service was the number of collection rounds that were finishing beyond the normal working day. This was placing a strain on the workforce and increasing overtime payments.
- 7.6. Finish times can be affected by a number of parameters, including collection tonnages, weather conditions, road and traffic conditions, mechanical problems and delays at the waste transfer station. For example, collection tonnages for garden waste vary significantly throughout the year due to seasonal variations in the weather. At its peak, weekly tonnages can exceed 450 tonnes, whilst in the winter this can drop to below 45 tonnes.
- 7.7. Figure 7.1 below compares the finish times for the new collection rounds against those recorded prior to making the changes. The results indicate a clear improvement, with 73% now finishing either on time or within 15 minutes of the contracted finish time.

Finish Times (March - August 2017)



Finish Times (March - August 2018)

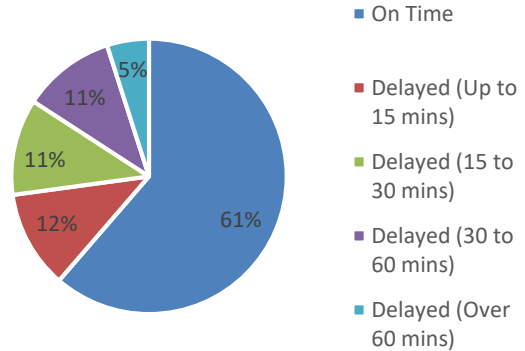


Figure 7.1 Comparison of Finish Times

- 7.8. Since the commencement of the new collection rounds, there have been some notable external factors that have influenced the operation. Heavy snowfall in the week immediately prior to the changes resulted in a significant backlog of waste which had to be collected. In addition, the closure of A511, Burton Bridge for repair work and the associated traffic diversions from late June until September had a negative impact.
- 7.9. Whilst the improvement in finish times is positive, it is considered that further improvements can be made. One target area is to seek an improvement in the turnaround times experienced at the waste transfer station and the Council is exploring this further with the facility provider.

Missed Bins

- 7.10. The Council has a Corporate Plan Target, VFM28, to minimise the number of missed bin collections. The target of 1.5 per 10,000 is extremely challenging for the service, with over 3.8 million bins collected each year, and is monitored on a monthly basis.
- 7.11. Following the borough wide round changes in March 2017, performance in this area dropped. This was primarily due to the crews being unfamiliar with their new collection rounds, particularly as some crews only visit each property on a two weekly cycle. This reduced performance continued into the first quarter of 2018/19 and a plan has been put in place to address the problem. Properties which have recoded a previous missed bin are highlighted in the in-cab system, thus informing the drivers when they approach a property. This is reinforced by a list of properties issued to the crews each Monday morning.
- 7.12. Figure 7.2 below shows performance during 2017/18 and the spike in missed bins following the changes. Performance has improved in quarter two and this will continue to be closely monitored in the coming months in order to return to the previous performance levels.

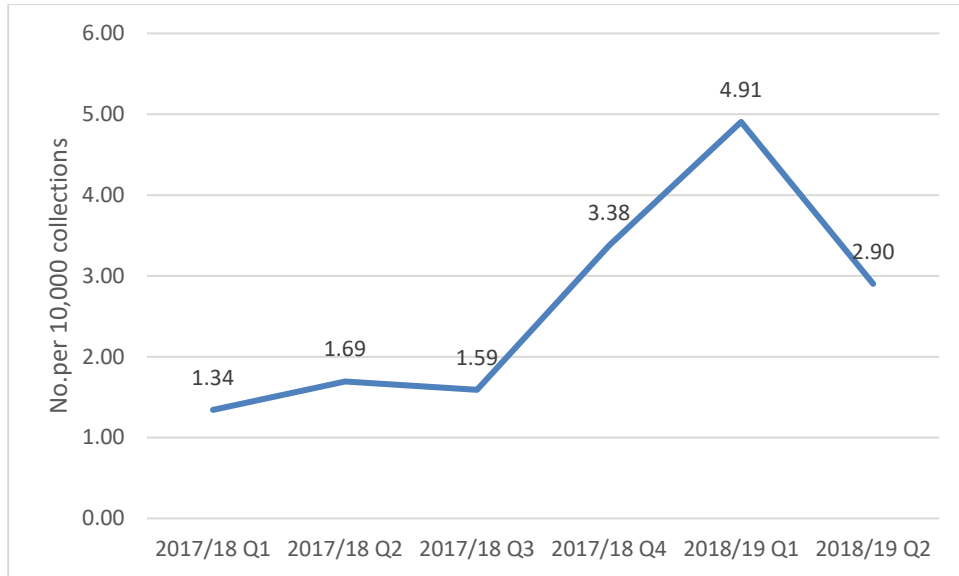


Figure 7.2 Missed Bins Performance 2017/18 – 2018/19

8. Financial Considerations

This section has been approved by the following member of the Financial Management Unit: Anya Murray.

- 8.1. There are no financial issues arising from this update report.

| Revenue | 2018/19 | 2019/20 | 2020/21 |
|--------------------------------|----------------|----------------|----------------|
| No additional finance resource | | | |

9. Risk Assessment and Management

- 9.1. The main risks to this Report and the Council achieving its objectives are as follows:
- 9.2. **Positive** (Opportunities/Benefits)
- 9.2.1. The review presented an opportunity to maximise the efficiency of the collection rounds, ensuring fuel usage, journey times and overtime are kept to a minimum.
- 9.3. **Negative** (Threats):
- 9.3.1. The risk of resistance from the workforce due to significant changes was effectively managed through early engagement with the trade unions and communication.
- 9.3.2. Similarly, public dissatisfaction caused by disruption to the service was minimal, with just one corporate complaint submitted.
- 9.4. The risks do not need to be entered in the Risk Register. Any financial implications to mitigate against these risks are considered above.

10. **Legal Considerations**

*This section has been approved by the following member of the Legal Team:
Angela Wakefield*

10.1. The main legal issues arising from this Report are as follows.

10.2. Section 45 of The Environmental Protection Act 1990 places a duty on a waste collection authority to “arrange for the collection of household waste in its area”.

11. **Equalities and Health**

11.1. **Equality impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is not required.

11.2. **Health impacts:** The outcome of the health screening question does not require a full Health Impact Assessment to be completed. An equality and health impact assessment is not required.

12. **Human Rights**

12.1. There are no Human Rights issues arising from this Report.

13. **Sustainability** (including climate change and change adaptation measures)

13.1. There are no specific proposals within this report which affect sustainability, although route optimisation in general supports the most efficient use of resources and minimises the distance travelled by the workforce.

14. **Recommendation(s)**

14.1. That Members note the contents of the report and the improvements made as a result of the SMARTER waste collection business plan.

15. **Background Papers**

15.1. None

16. **Appendices**

16.1. Appendix 1: Internal Audit Report 2018/19: Waste Management – SMARTER Waste (Final), August 2018 (CW Audit).