

## Committee: Sustainable Communities Scrutiny and Overview Panel

**Date: 10<sup>th</sup> January 2018**

Wards: All

**Subject: Performance monitoring of the street cleaning and waste contract delivered by Veolia Environmental Services.**

Lead officer: Graeme Kane, Assistant Director of Public Space

Lead member: Cllr Ross Garrod, Cabinet Member for Street cleanliness and Parking

Contact officer: Graeme Kane, Assistant Director of Public Space

### Recommendations:

- Performance monitoring:** Members are asked to note the contents of the report and provide officers with any comments regarding their experiences, or reports they have received, relating to the waste, recycling, street cleaning and greenspaces services.
- Wheeled bin size:** Wheeled bins are due to be introduced in October 2018 for residual/ general waste and for paper and card. It is now appropriate to choose the final size of the wheeled bin. Panel Members are requested to consider the bin size options and make a recommendation to Cabinet on either option A or B. Option A is recommended. The final decision will be taken by Cabinet on 15<sup>th</sup> January 2017.

	<b>Residual/ general waste</b>	<b>Paper and card</b>
<b>Option A</b>	180l wheeled bin	180l wheeled bin
<b>Option B</b>	240l wheeled bin	240l wheeled bin

## 1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. At their meeting on 2<sup>nd</sup> November 2017, Members of the Sustainable Communities Overview and Scrutiny Panel requested that they receive performance data from the commencement of the contract updated monthly to allow them to readily understand the developing performance of the service. Data has been provided below. This information will be provided to the Panel for the remainder of the municipal year.
- 1.2. The decision to introduce wheeled bins for residual/general waste and a separate wheeled bin for paper and card was made by Cabinet in July 2016. The Cabinet will be asked to confirm the size of wheeled bin to be used. The service is due to be introduced in October 2018 in order to: encourage greater recycling; keep Merton's streets cleaner; be safer for residents and operatives, and; be cost-effective.

## 2 DETAILS

- 2.1. At their meeting on 2<sup>nd</sup> November 2017, Members of the Sustainable Communities Overview and Scrutiny Panel requested that they receive

performance data from the commencement of the contract updated monthly to allow them to readily understand the developing performance of the service. Data has been provided below. Where possible this information has been included since the beginning of the Veolia contract (3<sup>rd</sup> April 2017) and includes comparable data from before the contract began and the service was delivered in house. In some cases the way in which the data is collated or defined has changed as a result of the enhanced technology or specification of the current contract and therefore the figures are not comparable with previous years.

**2.2. Missed bins**

2.3. To enable comparison from one month to another, the performance of missed bins is measured against 100,000 collections. This can be equated to a percentage of bins missed. LBM's performance monitoring target for missed bins per 100,000 collections is 75/month.

2017	April	May	June	July	Aug	Sept	Oct	Nov
Missed bins per 100,000 collections	48	68	77	90	75	107	148	126
Percentage of collections missed	0.05	0.07	0.08	0.09	0.08	0.11	0.15	0.13

2.4. The average for the first eight months is 93 missed bins per 100,000 collections. This is above the target of 75.

2.5. Owing to the in-cab technology and improvements to LBM's on-line reporting functions, the system to record missed bins is now more accurate than before the Veolia contract began and the methodology of calculating the number of missed bins has changed. Therefore, the number of missed bins recorded before the Veolia contract is not directly comparable with the current reported performance.

**2.6. Household waste recycled and composted**

The percentage of household waste sent for recycling or composting includes materials collected from the kerbside, Neighbourhood Recycling Centres and the Recycling and Refuse Site. The target for 2016 was 38% and for 2017 is 42%. It is unlikely that the recycling target will be reached in 17/18.

2.7. The change in autumn 2018 to alternate weekly collections with wheeled bins limiting the capacity of residual waste is expected to bring about a significant increase in the recycling rate. In April this year, Sutton introduced wheeled bins for residual as well as a new food waste service. This resulted in their recycling rate increasing from 38%, 40% and 40% in the months April, May and June 2016 to 53%, 50% and 53% in those same months in 2017. The same increase is not likely in Merton given food waste collections already occur but is an indication that recycling rates are set to increase under the new collection arrangements.

% Household waste recycled and composted								
	April	May	June	July	Aug	Sept	Oct	Nov

<b>2016</b>	36.92	36.64	36.75	36.41	37.47	38.03	37.31	32.58
<b>2017</b>	40.52	37.21	39.07	38.16	37.98	38.45	39.7	TBC

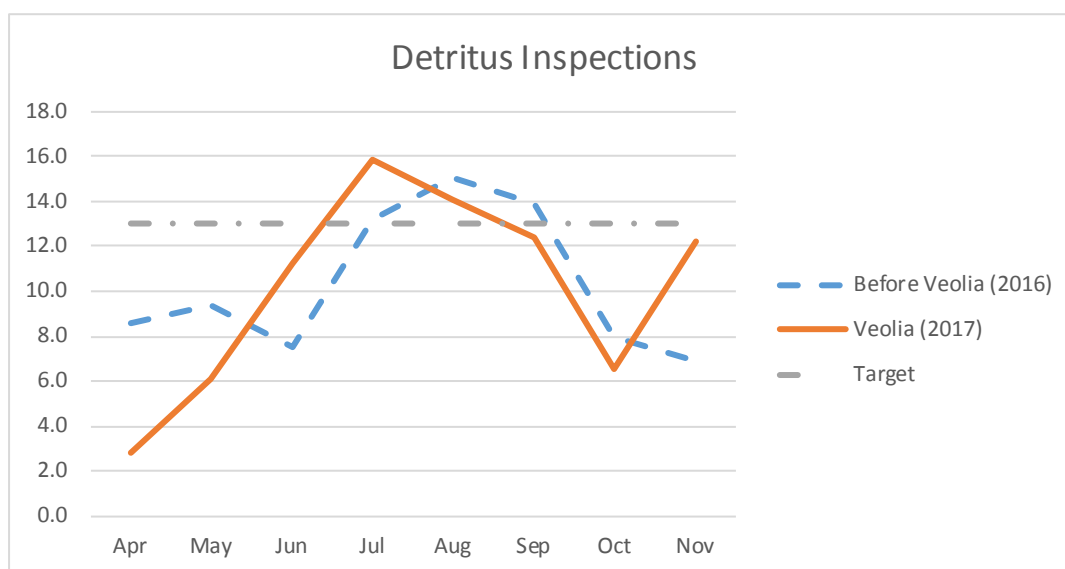
## 2.8. Fly tips

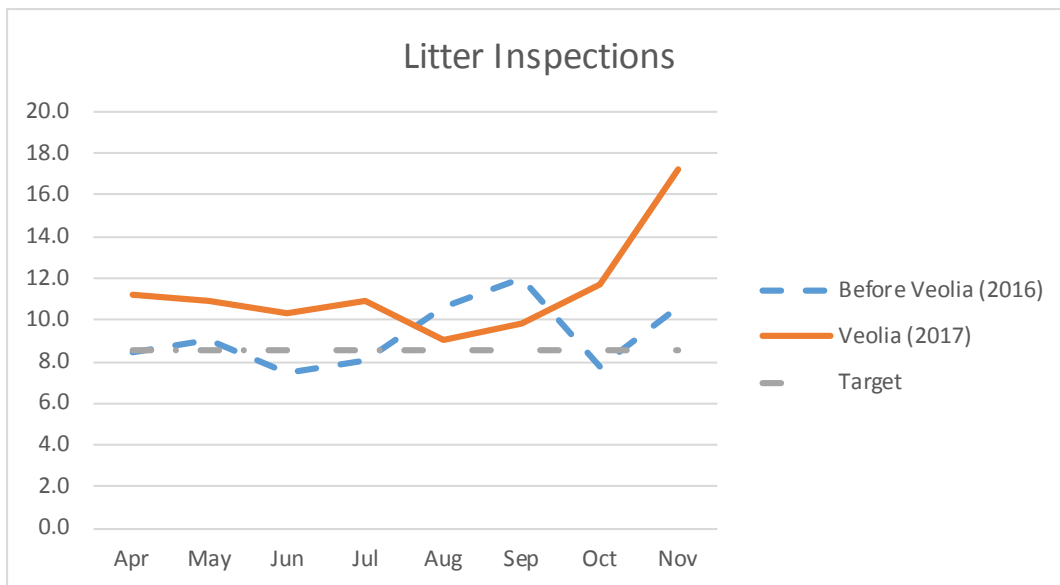
2.9. The table below presents the number of fly-tips reported (previous fly-tip records are not comparable given the changes in data capture and reporting technology). Whilst some reports may be duplicates, it gives an impression of the volume of fly-tips that Veolia are required to clear each month across the borough.

	<b>April</b>	<b>May</b>	<b>June</b>	<b>July</b>	<b>Aug</b>	<b>Sept</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
<b>2017</b>	600	523	523	629	542	745	832	890	TBC

## 2.10. Street cleaning

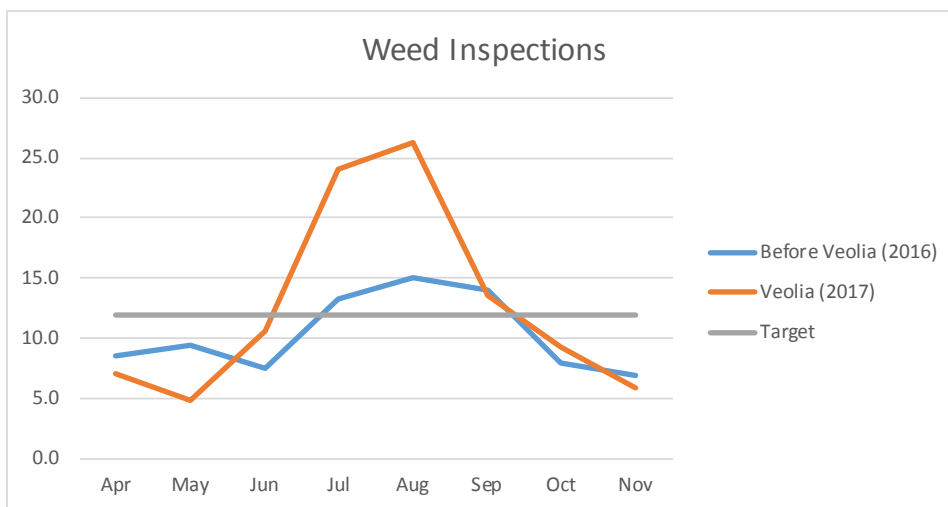
2.11. LBM's Performance Monitoring Officer undertakes monthly and quarterly inspections at random across the borough to assess for litter and detritus separately. The data from these inspections provides an insight into the street cleanliness of Merton's roads over time. The graphs below compare the results of these inspections between April - November 2016 (before Veolia) and April - November 2017 (with Veolia). The scores are based on the former Defra National Indicator 195 for street cleanliness; LBM's performance target are as follows: 8.5% of streets inspected should be below a grade B- for litter and less than 13% of streets inspected should be below a grade B- for detritus; both of which are stricter targets than previous years. The contract with Veolia requires streets to be maintained to a grade B or above.





**2.12. Weeds**

2.13. The third and final application of weed killer was applied throughout November and December and has been completed. Inspections have indicated that the presence of weeds is within our target: 12% of streets inspected should be below a grade B- for weeds



**2.14. Collection of street cleaning sacks (green sacks)**

2.15. The clearance of green sacks has improved in the last month. The expectation of LBM is that green sacks should be removed from the streets on the same day as they were deposited. Through the inspections of the client team, this situation has improved. Analysis of the fly-tipping reports indicates that 5% of reports in November made reference to street cleaning/ green sacks being part of the fly-tipped material.

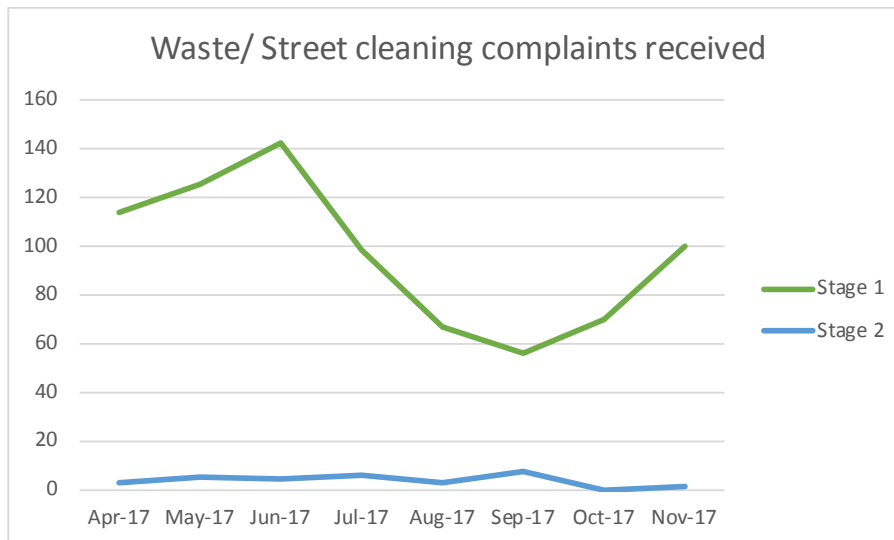
**2.16. Graffiti**

2.17. LBM is responsible for clearing graffiti on public property. The responsibility for clearing graffiti from private property remains with the property owner. LBM, through Veolia, do offer a service to clear graffiti from private property once a

waiver has been received from the property owners; a charge may be levied by LBM to the property owner for this service. In November, 11 reports of graffiti were made, of which 10 were reported as cleared.

### 2.18. Customer complaints

2.19. The number of customer complaints received per month relating to the waste, recycling and street cleaning service.



## 3 ICT INTEGRATION

3.1. Panel members also requested updates on the integration of Merton's customer relationship management (CRM) system and the contractor's operational systems.

3.2. Together with reporting a missed bin, the following street cleaning services are now integrated between LBM's on-line reporting with LBM's Customer Relationship Management (CRM) system and Veolia's operational system (ECHO).

3.3. Integrated from 13th October onwards:

- Fly-tipping
- Street below grade.

3.4. Integrated from 16th November onwards:

- Bring Bank (Neighbourhood Recycling Bank) Issues
- Dead Animals
- Drug Waste on the Street
- Fly-posting
- Graffiti
- Litter Bin Issues

3.5. The following services are yet to be integrated and are expected to be complete in December and January:

- Replacement/ new container

- Bulky waste collection

- 3.6. Recent improvements to the reporting system have also included the ability for residents to upload a photograph of up to 2.3MB for all street cleaning reports.
- 3.7. Residents are able to submit reports regarding street cleaning either by phone to the Council's Contact Centre or through the Council's on-line reporting functions. Reports are also made by LBM's Neighbourhood Client Officers (NCOs) when they are inspecting their areas. The table below provides a breakdown of the way in which reports were made in November.

Report Type	Phone	Web	NCO
Bring Bank Issue	10	3	7
Dead Animal	6	11	2
Fly-Posting		2	
Fly-tipping	315	444	229
Graffiti	3	10	1
Litter Bin Issue	24	12	16
Street Cleaning Veolia Request	1		
Street Requires Cleaning	365	479	108
<b>Grand Total</b>	<b>724</b>	<b>961</b>	<b>363</b>
Percentage	35	47	18

- 3.8. This indicates that the largest proportion of reports are made by residents using the Council's on-line report it function. By using these channels, the reports reach the contractor and client team as quickly as possible so problems can be solved as efficiently and effectively as possible. This also ensures all resident reports are logged in CRM and any repeat issues can be identified before they become bigger problems.
- 3.9. Street cleaning reports can be made on-line here: [www.merton.gov.uk/street-cleaning](http://www.merton.gov.uk/street-cleaning)
- 3.10. Missed bin reports can also be made on line: [www.merton.gov.uk/rubbish-and-recycling/report-a-missed-collection](http://www.merton.gov.uk/rubbish-and-recycling/report-a-missed-collection)
- 3.11. The table below indicates that the total number of missed bin reports on-line remains at just below 50% of all reports made by residents.

Missed bin reports		
	Phone	Web
Month	%	%
Apr	55	45
May	52	48
Jun	53	47
Jul	53	47
Aug	57	43
Sep	51	49
Oct	56	44
Nov	58	42
Grand Total	54	46

#### 4 CONTRACT MANAGEMENT AND MONITORING

- 4.1. On a daily basis, the operational performance of the contract is overseen by the Neighbourhood Client Team consisting of three experienced Neighbourhood

Client Officers (NCOs). Together, they monitor the contract through site visits and daily interaction with the contractors' Environmental Managers, residents, stakeholders and local Members. They respond to customer requests, queries and complaints in order to resolve waste/ recycling collection, street cleaning or green space issues. They also gather intelligence and information from analysing data held in the Council's customer management system. Recently they have held meetings with local Councillors and residents in Graveney, Longthornton, Figges Marsh and Abbey.

- 4.2. Regular contract management meetings are held between South London Waste Partnership (SLWP), representatives from each of the boroughs and the contractors in order to oversee and progress the delivery of the contract.
- 4.3. Weekly operational meetings take place with both contractors and the client team to address immediate services issues. Monthly meetings with senior managers from Veolia and idverde also take place to address strategic and commercial elements of the contract to ensure contract compliance and service delivery.
- 4.4. During November, the Executive Member for Street Cleanliness and Parking together with the Leader of the Council, met with Veolia's Regional Director to express their concern about Veolia's performance and emphasise their expectations of the service their residents should be receiving. Following the meeting, the Executive member wrote to the Regional Director to express his concern and seek reassurances; a response from Veolia to that letter is included in Appendix B.
- 4.5. Within the contract there are mechanisms by which poor performance can be addressed. The Service Performance Indicators provide an insight into how the contract is performing. These indicators are reported and reviewed on a monthly basis. Where performance is below the required standard, financial deductions can be applied to the monthly contract payments. The calculation of the indicators and deductions is reliant on having a fully integrated ICT system, which is progressing but not yet complete. Financial deductions are routinely applied to the contract where appropriate to address poor performance. In July and August, deductions were levied by LBM on Veolia for performance failures. The combined total of these deductions is approximately £13,000.

## **5 TRAINING AND SUPERVISION**

- 5.1. Since the last report to the Panel in November, Veolia have introduced additional supervisors and managers to oversee the performance of their street cleaning and waste collection crews. This is intended to be a short-term measure to raise standards of cleaning and behaviour. The crews continue to receive training in relation to ensuring they are aware of the requirements of the 'as is' service specifically the careful replacement of recycling containers to an appropriate position, the collection of waste from the edge of the property, and the avoidance of spilled material onto the pavement or roads.

## **6 SERVICE CHANGE**

- 6.1. In accordance with the contract and previous decisions by Cabinet, service changes will be implemented for the waste and recycling services from the autumn of 2018. The introduction of alternate weekly waste and recycling collections is expected to incentivise recycling, particularly the use of the food

waste service. The introduction of wheeled bins is intended to keep Merton's streets cleaner as well as providing a more cost effective and safer method of collection. The collection regime is similar to many boroughs and councils across the country, including those with the highest rates of recycling. Advice for residents is already provided on LBM's website to help residents keep their bins clean. <https://www.merton.gov.uk/rubbish-and-recycling/changes-from-2018>

- 6.2. Plans for the service changes are being developed by Veolia in conjunction with LBM officers and the SLWP. The plans will include: ordering, delivering and commissioning of new vehicles; ordering and delivering of new bins; and route adjustments and day changes. A crucial work stream will be the development of clear and comprehensive communications to residents. An update on the planned service changes will be presented to the Sustainable Communities Panel in February 2018 for their information and comment.
- 6.3. Originally the size of both wheeled bins was to be 240litres. Based on analysis of operations in other local authorities, a review of best practice and taking note of guidance from WRAP, it is recommended that both wheeled bins should be 180litres. This reduction in size is expected to: encourage food and dry recycling; reduce waste disposal tonnages and costs; and, make the bins easier for residents to store and handle. A presentation is attached in Appendix A. This outlines the issues to be considered in deciding on the appropriate size of the wheeled bin for residual waste.
- 6.4. Through informal feedback regarding the service change, residents have indicated their concern about the size of wheeled bins in relation to their properties. These views have influenced the decision to recommend a 180l wheeled bin over a larger one. By listening and responding to residents, it is hoped their concerns will be alleviated to some degree.
- 6.5. Once the new service has been introduced, residents in larger households (likely to be those with 5 or more permanent occupants) will be able to request a 240l wheeled bin for residual waste and residents who prefer a 140l wheeled bin for residual waste will have the option to request one. These alternatives will be developed further by officers during the later planning stages of the new service.
- 6.6. **ALTERNATIVE OPTIONS**
- 6.7. **Performance monitoring:** This is an update on the performance of the Council's key waste, recycling and street cleaning services and therefore there are no decisions required or recommended. Members are asked to note the contents of the report and provide officers with any comments regarding their experiences, or reports they have received, relating to the services.
- 6.8. **Wheeled bin size:** Members have the choice of either option A or B.

	<b>Residual/ general waste</b>	<b>Paper and card</b>
<b>Option A</b>	180l wheeled bin	180l wheeled bin
<b>Option B</b>	240l wheeled bin	240l wheeled bin

- 6.9. The use of smaller bins as the standard sized wheeled bin is are considered to be inappropriate as it risks providing residents with insufficient capacity to safely contain and dispose of their waste. Insufficient capacity can lead to increased



fly-tipping, additional visits to the Household Reuse and Recycling Centre, and the need for increased street cleansing.

6.10. **CONSULTATION UNDERTAKEN OR PROPOSED**

6.11. No formal consultation has contributed to the creation of this report.

6.12. **FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS**

6.13. Option A may result in reduced Capital costs but it is too early to determine at this stage. If a smaller bin (180l rather than 240l) encourages greater recycling and an overall reduction in residual/ general waste then this will have a positive effect on LBM's waste disposal costs. The scale of these changes is not yet known.

6.14. The approved Capital programme 2017-21 includes £2.674 million for the purchase of waste bins in 2018/19.

6.15. **LEGAL AND STATUTORY IMPLICATIONS**

6.16. There are no legal or statutory implications as a result of this report.

6.17. **HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS**

6.18. There are no human rights, equalities or community cohesion implications as a result of this report.

6.19. **CRIME AND DISORDER IMPLICATIONS**

6.20. There are no crime or disorder implications as a result of this report.

6.21. **RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS**

6.22. There are no risk management or health and safety implications as a result of this report.

6.23. **APPENDICES - THE FOLLOWING DOCUMENTS ARE TO BE PUBLISHED WITH THIS REPORT AND FORM PART OF THE REPORT**

6.24. Appendix A: Powerpoint presentation: "Waste/ recycling service change: Autumn 2018: Wheeled bin size".

6.25. Appendix B: Letter from Veolia dated 22<sup>nd</sup> December 2017

6.26. **BACKGROUND PAPERS**

6.27. N/A

This page is intentionally left blank