

Scrutiny – 21 June 2007**REVIEW OF CHANGES - WASTE COLLECTION****Report of Strategic Director (Operations)**

Statutory Powers: Environmental Protection Act 1990 Sections 45, 46.

Financial Implications: The Operations budget for cleansing services including waste for 2007/08 is £3,075,900. The current service as of May 2007 is operating at 17% over budget which equates to £90,000 due to a number of reasons which will be explained in the body of this report. The intention is that the budget will be brought back inline with the modifications now being explored as highlighted in this report.

Purpose

To update Members on the progress of changes to household waste collection services within the District. Together with identifying key achievements in relation to performance, this activity supports the Council's priorities of maintaining a clean environment (CP4).

RECOMMENDATION

That the Scrutiny Group notes the progress made in the introduction of the waste changes and supports further investigation to streamline the service.

Background

- 1 In February 2007 Members were presented with a comprehensive report on the progress of implementing changes to the Council's waste collection service and its financial position for 2006/2007. (Minute SC.55/06)
- 2 Since the date of that report officers have been working on various initiatives to bring the budget back in line and improve the service. This report outlines those initiatives together with the issues still to be resolved.

Where we are now

- 3 For 2006/07 the Council achieved a recycling and composting rate of 48%. If this performance is maintained then a recycling rate of 50% should be achieved for 2007/08. A highly commendable achievement which the Council should be rightly proud of. However in achieving this performance it has highlighted some operational issues which have manifested themselves into the financial position we find ourselves in today.
- 4 Phase 6 the final phase of the new arrangements was implemented in conjunction with the district-wide round restructuring in September 2006. The requirement for a restructuring of rounds was based on the following knowledge.

- Introducing dry recycling rounds reduced the amount of mixed or non-recyclable waste that was being collected on the other collection rounds.
 - The collection productivity of rounds fundamentally changed due to the Council adopting a wheeled bin system at the boundary of properties as opposed to the historic back door black sack collection.
 - Sizes of collection crews also changed due to the new arrangements.
 - Trade waste that used to be collected with domestic waste is now collected by separate vehicles. This again meant that the amount of material collected by the domestic crews reduced, together with the corresponding workload.
 - Rounds had not been party to a major review since 1988 and consequently the workload of each crew varied.
 - There were a number of small box vans and other vehicles being used for the collection of waste proving ineffective.
 - The existing rounds were not efficient as they often crossed over the same routes.
- 5 Having secured funding from WRAP (the Waste and Resources Action Programme) external advisors re-routed collection rounds using data provided by the Council. Working from basic information provided in April 2006 by the advisors, an internal Project Team led by the Head of Operations mapped new collection rounds based on post code information.
- 6 The methodology for collection that was adopted was based on collecting in zones. The principal being that all vehicles worked in a zone and completed the designated area before moving onto the next days work/zone.
- 7 The new collection methodology has highlighted a number of areas that is causing some concern and consequently is resulting in the previously mentioned overspend on the operational budget.

Zones

- 8 The theory behind zoning work is that all the refuse rounds working in a zone should work as a team. If one crew finishes their allotted workload they contact the other crews and establish if they need assistance. In practical terms this means that one team may have to travel substantial distance to find the crew who needs assistance. There are some instances where the journey has been wasted, in that by the time the crew that are to assist arrive the workload has been completed.
- 9 There is also some concern that the new working practices have not driven out the best productivity levels from the collection crews. It may be the case that some crews have adjusted their productivity level to the workload they have been given. Thus the end result is a drop in productivity.

- 10 Each zone should contain a balanced workload which is equal to the other zones. However there is evidence that there may be substantial differences in workloads within each zone and between each round.
- 11 The consequence of this methodology has meant that extra vehicles have been used to deliver the service. This has meant an additional cost in labour and vehicles totalling £90,000 for the first 2 months of 2007/08.

Vehicles

- 12 In terms of refuse vehicles there has been a significant increase in vehicle breakdowns and repairs which have resulted in an increase in costs which is contributing to the increase in spend per month. On investigating the facts are:
 - There has been a substantial increase in breakdowns which has added not only to the vehicle costs but also in lost time while spare vehicles are sought to finish workloads.
 - 45% of the fleet is over 5 years old and 40% will be 7 years or older this year. As a consequence vehicle reliability is waning.
 - The number of accidents caused by driver failure has increased substantially. This is at such a level that the premium charged by our insurance company is nearly 100% greater than our adjoining authority.
 - There have been recent occasions where there have been between 5 and 7 breakdowns per day. This has meant that some days of collection have been delayed and some instances it has delayed the service by up to two days.
- 13 Turning to caged vehicles used for recycling collection, the introduction of dry recycling collections in the district has been very successful. Since the introduction of the alternate weekly collection service the amount of material placed out by residents for dry recycling has increased which has highlighted a capacity issue for the custom made caged vehicles. Consequently there has been more runs to the process plant which reduces the amount of productive time available for loading material into the vehicle. Therefore additional vehicles and crews have had to be employed and thus increased the cost of the service.

Manning

- 14 At present the total manning level for the service exceeds the original estimates for the service. This has been further exacerbated by other issues.
- 15 There is an issue of being able to employ HGV drivers. This is not just unique to this Council but is a regional problem. Consequently there has to be a reliance on employment agencies to supply suitable staff. The knock on effect is that you lose the continuity of the service which affects productivity and moral of the crews.
- 16 Due to the level of breakdowns this again can affect the level of service delivery. A vehicle breakdown in the North West of the district can delay a round by up to three hours. This is due to the location of the vehicle repair

workshop and the time it takes to change over vehicles. There are then costs in 'catching up' the collection rounds.

Data

- 17 There is now in place a database known as Waste Contact Logging (WCL) which is a depository for all information relating to each property in the district. Typical information that is stored is the property name, type of collection including if assisted collections together with any history on calls. This data base is used by all staff that has an involvement in the scheme. CST uses the data to log calls from customers and consequently this is used by the Operations Team to action any required work related to the scheme.
- 18 Data is only as good as the information placed into it. Phase 6 was implemented without populating the WCL with the updated information. Thus this has caused some issues with both customers and staff who have to use the information. In recent weeks officers have been working to correct, update and improve the WCL which is now accessible to CST, Waste Management and the Operations Service at each Depot. The completion of this improvement will facilitate the round restructuring mentioned later, in that accurate information will be used to undertake the complicated calculations.

Customer Satisfaction

- 19 It is evident that customer satisfaction has fallen due to the changes that have been made to the service. It was inevitable that some of this would have been attributed from moving from a weekly backdoor collection to an alternate collection service utilising wheeled bins.
- 20 It is however also evident that there have been some other contributory factors that have not helped. These relate to missed bins, delivery of containers and reliability of service.
- 21 The latest BVPI scores are as follows. It is noted that the service for how we as a council collect waste has dropped by 18.7%.

Weighted data 2003/04

BVPI	Weighted Satisfaction Score 2006/07	Weighted Satisfaction Score 2003/04	Difference 2003/04 – 2006/07
BV90a Household waste	71.0%	89.7%	-18.7%
BV90b Provision of recycling facilities	75.8%	74.1%	+1.7%

Way Forward

- 23 Officers have looked at the existing outcomes with a view to adjusting operational practices. This is being led by the Strategic Director (Operations) with support from both Heads of Operations and Business Development and key frontline staff from within the Operations Service with extensive local knowledge.

Round Restructuring.

- 24 As previously described there are some issues with the adopted methodology for collecting waste. A project review group is therefore working on a further way to improve rounds to deliver the service utilising the least resource but ensuring the task is achievable.
- The review group is taking account of existing depots and will establish the optimum amount of depots to demonstrate an effective and cost efficient service.
 - Consideration is also being given to the capacity of vehicles and location of process\disposal routes. This will also include taking into account the seasonality of some of the waste activities.

Vehicles

- 25 The Transport Manager has been tasked with putting in place arrangements that will ensure that for the short to medium term the Council possess a fleet that is fit for purpose. This will require the replacement of some vehicles that have reached the end of their economical operational life with hired in plant.
- 26 The next initiative will be to reconsider the existing practice of running vehicles to seven years of age together with still indeed retaining vehicles in excess of that rule. Early indications are that five years would be the optimum age for a vehicle expected to travel the distances within South Hams.
- 27 The vehicle maintenance contract will be reviewed to ensure that the Council is still receiving value for money and a study will be undertaken to ensure that the existing practice of buying vehicles together with repairing is more viable than leasing vehicles.

Dry Recycling

- 28 The cage vehicles have proved to be inefficient due to their limited size and distance to processing plants. Alternative options have been investigated such as split bodied vehicles and other demonstration or prototype separation vehicles on the market.
- 29 However to keep the solution simple and ensure and standardise the range of vehicles in the fleet, officers have been trialling compaction of dry recyclable sacks. The result of tests has been that only 5% of sacks that contained paper and 15% of the sacks containing plastic and cans actually broke. Further discussions are taking place with Severnside who process the Council's recyclable material. Due to the success of this trial one compaction vehicle together with one driver and two loaders has replaced three caged vehicles, three drivers and three loaders.
- 30 Cost and specification of dry recycling sacks is also being investigated. Indications are that the cost can be reduced by at least 20% and may be even greater.
- 31 There have been a number of calls concerning properties running out or going to run out of sacks. Investigation has been undertaken to see how this can be rectified. The following actions are to be put in place:

- The annual amount delivered to each household will be increased by 15%.
- Sacks will be delivered in rolls not packs and a sack marked with a distinctive message and colour will be placed near the end of the roll which will indicate to the crew that the householder is running out of sacks. The supply will then be replenished by the collection crew.

Risk Assessment

Risk Identified	Mitigating Actions
That waste is collected efficiently and cost effectively.	Further adjustments may be necessary to the current collection rounds in time. Any further changes to the frontline service however will only be undertaken once every eventuality has been considered.
Customer satisfaction reduces due to the alteration of the service and unreliable collections.	Further publicity and communication will be undertaken to highlight the correct use of the new services. It is fair to say that the current service does require adjustment to ensure householders receive the best service possible at an affordable price.
The effectiveness of communication links and Information data systems.	Subject to affordability improvements will be made to hardware updates and software systems in order to focus on delivery of a service the customer demands.
Adherence to waste policy and consistent application of policy.	Method statements for operatives will be amended to ensure policy is applied consistently. Staff at all levels will receive training and support on the waste policies in place.
Compliance on the grounds of equality	Current waste policies ensure assisted collections are made available to those households in need.

Conclusion

35 The waste collection service has been changed dramatically over the past three years to accommodate changes in customer expectation and legislation imposed on councils. Clearly the residents of the South Hams want to recycle and compost their waste and it is for this Council to determine how best to enable them to do so within the confines of a limited budget resource.

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Scrutiny
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Background documents:

Review of Waste changes report Scrutiny 22 February 2007