



Doncaster Council

Date: 28/11/18

To the Chair and Members of the
Community & Environment Overview & Scrutiny Panel

COLLECTION CONTRACT - UPDATE

Relevant Cabinet Member(s)	Wards Affected	Key Decision
Cllr Chris McGuinness	All	No

EXECUTIVE SUMMARY

1. To update Overview & Scrutiny Panel on the mobilisation and transformation of the new waste and recycling collection contract.

EXEMPT REPORT

2. This report is not exempt, however, there are financial and commercially sensitive matters contained within appendix 1 to the report. Therefore, appendix 1 is not for publication because it contains exempt information under paragraph 3, of part 1 of schedule 12a of the local government act 1972, as amended, (information relating to the financial or business affairs of any particular person (including the authority holding that information)).

RECOMMENDATIONS

3. To note the content of the report.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

4. An improved and efficient waste and recycling collection service.

BACKGROUND

5. Fundamental changes in service delivery were specified for the new waste and recycling collection contract that commenced on 5 March, following a full public consultation in December 2015/January 2016.
6. The contract was tendered for a period of 8 years, with up to a 2 year extension. The contract was awarded to SUEZ UK and the annual contract value is approximately £8.695M. There is further financial information in Appendix 1.

7. The Council procured the new blue wheeled bins for the roll out of the new service. There had initially been some issues with the blue bin lids which have been addressed with the manufacturer and they are providing batches of new blue bin lids free of charge.
8. SUEZ led on the successful delivery of over 130,000 blue bins between November 2017 and February 2018. The delivery of the blue bins has been well received by residents and as part of this roll out the Council ran an award winning social media campaign #binvasion which led to residents engaging with the Council about the new service. The award was for 'Best Communications Campaign' from LARAC (The Local Authority Recycling Advisory Committee).
9. In accordance with the Service Delivery Plan submitted at tender stage SUEZ adopted a 'big-bang' approach by introducing the major operational changes on the first day of the new contract, including;
 - The change to a fortnightly blue bin recycling service.
 - The change to 4 day working week – Tuesday to Friday with 10 hour days.
 - New routes based on ward boundaries for all services.
 - The implementation of In-cab technology to replace paper based round sheets.
 - New vehicles for all services.
10. The mobilisation and implementation of the new contract was severely hampered by a period of prolonged service disruption resulting from the severe weather conditions in the final week of the old contract (26 February to 2 March) and the agreed phased approach to integrate key aspects of Suez's new operational IT system (CORE) with the Council's Customer Relationship Management systems (Mayrise/Lagan).
11. Since introducing the service changes outlined above SUEZ have focussed their efforts on achieving 100% completion of scheduled collections on a daily basis and they have provided additional resources (vehicles/staff) to achieve this, some of which are still in place. At the start of the new contract through March and April there was a high level of missed collections which was to be expected with the level of change in the new contract and the disruption from the severe weather.
12. The difficulty in dealing with the volume of enquiries and requests for service was further compromised by the phased approach to the IT systems (integration). These factors contributed to the problem of duplicate enquiries being raised as calls; and a high number of requests for service information being made by the Waste and Recycling team.
13. Whilst performance rates have improved and we now have improved access to quality information that we (both SUEZ and Doncaster Council) can manipulate to improve the services moving forward and target any problematic areas. The contract specifies that the service will be self-monitoring and self-reporting. To achieve this and to effectively manage service delivery the CORE system is required to be the primary IT application from an operational perspective.
14. There are 55 performance standards within the contract a few examples are; missed collections, failure to manage bin stock levels, failure to weigh and record each load and failure to observe the lease requirements of the premises. The

Performance Management Framework and associated clauses within the contract entitle the Council to deduct the relevant performance deductions, they are not mandatory. This allows flexibility to vary the application of the performance standards dependant on circumstances such as transformation, mobilisation, IT development work, bad weather, force majeure etc.

15. In regards to 'Transformation' the contract terms permitted the service provider 6 months (from 5 March) to fully implement the new service and to deliver the performance standards set out in the Specification. Due to the fundamental changes in contract delivery SUEZ's approach was to implement all the service changes from day 1 and despite having robust processes in place the above factors contributed to some delays. SUEZ and the Council have both encountered issues with data and IT integration. Some of the IT integration has still not been resolved, a further report has been submitted and approved by Information Governance Board to deliver phase 2 of this work.
16. The recycling tonnage collected in the blue bin and green box has increased from April 2018, compared to the previous year. The figures are provided in Appendix 2.
17. The contract performance regarding missed collection has improved since the start of the contract. As context to the number of missed collections there are 816,000 scheduled household collections each month and for 2018 the percentage misses are therefore 0.57% in March reducing to 0.1% in October. The figures are provided in Appendix 3.

OPTIONS CONSIDERED

18. Report for information only.

REASONS FOR RECOMMENDED OPTION

19. To note the content of the report.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

20.

	Outcomes	Implications
	<p>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</p> <ul style="list-style-type: none"> • Better access to good fulfilling work • Doncaster businesses are supported to flourish • Inward Investment 	
	<p>Doncaster Living: Our vision is for Doncaster's people to live in a borough that is vibrant and full of opportunity, where people enjoy spending time;</p>	

	<ul style="list-style-type: none"> • The town centres are the beating heart of Doncaster • More people can live in a good quality, affordable home • Healthy and Vibrant Communities through Physical Activity and Sport • Everyone takes responsibility for keeping Doncaster Clean • Building on our cultural, artistic and sporting heritage 	<p>The introduction of the blue wheeled bin ensures that recycling is fully contained, which results in less windblown litter.</p>
	<p>Doncaster Learning: Our vision is for learning that prepares all children, young people and adults for a life that is fulfilling;</p> <ul style="list-style-type: none"> • Every child has life-changing learning experiences within and beyond school • Many more great teachers work in Doncaster Schools that are good or better • Learning in Doncaster prepares young people for the world of work 	
	<p>Doncaster Caring: Our vision is for a borough that cares together for its most vulnerable residents;</p> <ul style="list-style-type: none"> • Children have the best start in life • Vulnerable families and individuals have support from someone they trust • Older people can live well and independently in their own homes 	
	<p>Connected Council:</p> <ul style="list-style-type: none"> • A modern, efficient and flexible workforce • Modern, accessible customer interactions • Operating within our resources and delivering value for money • A co-ordinated, whole person, whole life focus on the needs and aspirations of residents • Building community resilience and self-reliance by connecting community assets and strengths • Working with our partners and residents to provide effective leadership and governance 	<p>Most of the waste and recycling services are now available online</p>

RISKS AND ASSUMPTIONS

21. Report for information purposes.

LEGAL IMPLICATIONS [NJD 14th November 2018]

22. This Council is a waste collection authority for the purposes of the Environmental Protection Act 1990. Section 45 of the Act places an obligation on waste collection authorities to arrange for the collection of the household waste in its area.
23. The Council ran a competitive process for the provision of a waste and recycle collection service in accordance with the Public Contracts Regulations 2015.
24. Suez UK submitted the most economically advantageous tender and subsequently entered in to an agreement with the Council to provide the service.
25. The contract provides for performance monitoring and where performance levels are not achieved performance deductions may be applied.

FINANCIAL IMPLICATIONS [RT 14/11/18]

26. The contract was tendered for a period of 8 years with an annual contract value of £8.695m. There are further financial implications in Appendix 1 as this information is commercially sensitive.

HUMAN RESOURCES IMPLICATIONS [DK 13/11/2018]

27. There are no specific HR implications to the collection contract - update report.

TECHNOLOGY IMPLICATIONS [PW 14/11/18]

28. The Digital Transformation Team worked alongside the Waste and Recycling department and contracted partners Suez to create Phase 1 of the planned system developments and integrations in support of the new contract go-live in March 2018. There was a 4 week Go Live period where remedial works took place to improve the system integrations to prevent any duplicate data being passed through to the Suez system (CORE). Since this time a further TGB proposal has been approved to commence a Phase 2 of development work to further improve the way in which these systems interact. Since the approval of the TGB proposal a project has established, the scope and tranches of work agreed and these have been aligned with some planned system down time to accommodate the Lagan CRM upgrade. The first tranche of 3 planned tranches of work is planned for implementation by the end of January.

HEALTH IMPLICATIONS [CT 13.11.18]

29. Research from Zero Waste Scotland (ZWS) found little difference between weekly and fortnightly waste collections with regards to the human health risk from the likes of odours, bacteria, maggots and flies. However, the study found that waste 8 weeks old and left due to missed collections, for example may lead to increased endotoxin concentrations. Endotoxin is linked to inflammation of the lungs and airways.

30. Therefore with regard to performance it is imperative that missed collections are minimised and procedures put in place to limit any delay in collecting waste to ensure there is no adverse effect on the population.

EQUALITY IMPLICATIONS [LR 02/11/18]

31. The waste and recycling collections undertaken still allow for an assisted collection service for residents that are not able to put their containers out for collection. The use of smaller bins (140 litre) are also available on request for black, blue and green bins.

CONSULTATION

32. No further consultation undertaken

BACKGROUND PAPERS

33. None

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