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SUSTAINABLE COMMUNITIES OVERVIEW AND SCRUTINY PANEL 4 SEPTEMBER 2018

(7.15 pm - 9.20 pm)

PRESENT: Councillors Laxmi Attawar (in the Chair), Daniel Holden, Ben Butler, Joan Henry, Russell Makin, Nick McLean, Hina Bokhari and Billy Christie

Co-opted Members

ALSO PRESENT: Councillor Mike Brunt, Edward Gretton, Martin Whelton (Cabinet Member for Regeneration, Housing and Transport), Charles Baker (Waste Strategy and Commissioning Manager), Anita Cacchioli, Cathryn James (Interim Assistant Director, Public Protection), Chris Lee (Director of Environment and Regeneration), Paul McGarry (FutureMerton Manager), Jim Rogers (Business and Customer Services Manager) and Annette Wiles (Scrutiny Officer)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

Apologies were received from Cllr Fairclough and Cllr Anderson (with Cllr Bokhari and Cllr Christie respectively substituting).

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were no declarations of pecuniary interest.

3 MINUTES OF THE PREVIOUS MEETING (Agenda Item 3)

The minutes of the previous meeting were accepted as a true and accurate record.

Matters arising

It was agreed all matters arising had been addressed:

- Examples of the new waste service rollout communications were shared with Cllrs;
- Cllrs have been supplied with a bank of frequently asked questions regarding the new waste service; and
- Clarification was provided to members by email regarding the number of people accessing libraries and library visitor figures.

4 HIGHWAYS CONTRACT (Agenda Item 4)

Paul McGarry, Head of futureMerton, introduced the item highlighting that the report provides a summary of the re-procurement process for the highways contract from now until the commencement of the new contract in October 2019. A draft scope is

also included. This will be developed into a more detailed specification and therefore members' views on the scope are sought.

The contract is currently held by FM Conway – it is in the last year of a two year contract extension. Soft market testing activity has already taken place from which it has concluded that the contract renewal will be determined through a full procurement process with full exposure to the market to test best value. The length of the contract will be for seven years initially with the option to extend by a further three years.

As part of the early stages of the procurement process there has been liaison with neighbouring boroughs to explore the option of joint commissioning. Richmond and Wandsworth already have a shared contract as do Sutton and Kingston. As these contracts have already commenced and their timing is fixed, there isn't an option for Merton to join either of them at this stage.

In response to member questions, the following clarification was provided:

- (Paul McGarry) The proposed length of the contract has been determined by what is typical in the market. Also, to allow the timing of the contract to come in-line with those jointly commissioned contracts already commenced by neighbouring boroughs;
- (Paul McGarry) Merton's highways are all subject to an ongoing programme of inspections with frequency determined by use – the busiest are inspected monthly with the least busy inspected annually. These inspections inform the programme of planned capital works. The material with which potholes are filled is robust. However, further derogation of the road surface will typically happen around this infill. Reported potholes are assessed. This will determine if the hole will be filled or the whole road resurfaced through the capital programme;
- (Chris Lee, Director Environment & Regeneration) Highways maintenance is funded from both revenue and capital budgets. Typically, there is a £660K revenue spend on potholes. This is for day-to-day repairs that cannot be capitalised due to accountancy rules. The capital spend is £2.5m a year on road and footway surface renewal with additional funding for road junctions and changes to road layouts. Contractors are making their own capital investments in equipment to deliver these highway contracts. This is also a key factor in determining the length of the contract as time is needed to defray the capital investment;
- (Paul McGarry) Consideration is being given to introducing a risk based approach to highways maintenance. However, this will be influenced by London Councils given a change of approach by DfT and will only be effective if adopted across all London boroughs;
- (Paul McGarry) Merton's highways are the council's largest physical asset; if all our roads, footpaths and cycle paths were laid end-to-end they stretch from Merton to Barcelona. Whilst potholes result in damage on the top surface of the borough's highways, this is only the cosmetic, the key part of the road structure that determines its integrity is the subsurface which is surveyed annually with radar. Many factors affect the quality of Merton's highways but ice has done a lot of damage recently with the severe winter in 2017/18;

- (Paul McGarry) The decision not to pursue a competitive dialogue but instead to go through a full procurement process is based on the current contract having been held over the longterm and a market perception that the current contractor could have advantage. A full procurement process will allow all interested parties to have the same information and discussions with the council;
- (Paul McGarry) Quarterly meetings are held with utility companies to plan and permit their works. However, given the age of the infrastructure, emergency works are often required that cannot be planned. These also have to be permitted. The Council does issue fines to utility companies where works go over their permitted time or where the utility company hasn't obtained a permit to carry out work;
- (Paul McGarry) The 28 day requirement to rectify a defect to the highways surface commences as soon as this is known/reported;
- (Chris Lee) In comparison with other London Boroughs, the condition of highways in Merton is good. The percentage of highways that fall below the standard required is measured annually. A sharper decline in the quality of Merton's highways was seen before winter 2017/18. As a result the Capital Programme has been adjusted;
- (Chris Lee) Technology used to make repairs is continuing to improve and there is a constant focus on how to reduce costs;
- (Paul McGarry) The estimated £2m reduction in TfL funding between 2017/18 and 2018/19 for Highways Service and Works is a result of the budget having been previously increased by major schemes and special projects such as Mitcham town centre where the funding was received from Transport for London; and
- (Paul McGarry) Private landowners are responsible for maintaining surfaces on private forecourts even where these abut the public highway. The Council can issue enforcement notices to ensure works are undertaken if there is a credible danger to public safety.

RESOLVED: that the more detailed specification and outcome of the full procurement process return to scrutiny at its February meeting for pre-decision scrutiny (before this progresses to Cabinet for its decision).

5 PARKING UPDATE REPORT (Agenda Item 5)

Jim Rogers, interim Head of Parking, provided an introduction to the item. The report summarises current project work which will be delivered over the next 12 – 24 months. ANPR is operating well and will shortly be rolled out to enforce parking restrictions outside schools. It is thought the necessary funding has been secured to realise this development. Use of Ringo, the cashless parking system, has increased with close to a 50/50 split between cash and online payment being made for parking.

The procurement of the new back office system is progressing with a draft specification now available. It is in plan that a new virtual permits system will be procured before the end of the financial year. This aims to improve the accessibility of services to customers. Currently in its second year of operation, the diesel levy will be reviewed during its third year. It is hoped this will have changed behaviours away from diesel cars to less polluting forms of transport. Free Christmas parking is currently being evaluated with the practicalities for offering this for a fixed period of

time being explored. Lastly, it is now possible to report illegal parking outside of business hours. During the first month of operation offering this addition to the service, 344 calls were received leading to site visits.

In response to member questions, officers clarified:

- (Jim Rogers) The ANPR locations are subject to rolling review. Where compliance improves, other locations are explored for relocation;
- (Chris Lee) The objective of the diesel levy is to improve air quality. It has been accepted that the Panel will agree the terms of reference for the review of the levy that will happen during the next municipal year. It is anticipated that this will consider the number of permits requested in year 1 compared to year 2 of operation and compare any reflected change in diesel car ownership against the degree of change during the same period nationally. It will need to be determined if a perceived or actual large drop in diesel car ownership would mean the levy is considered successful and/or if lower drop would deem it ineffective;
- (Jim Rogers) The amount of revenue raised through the diesel levy will be shared with Panel members subsequent to the meeting. All funds raised through the levy have to be used for highways related spending;
- (Jim Rogers) All notifications of vehicle changes made to the Council for parking permits are verified to check if the vehicle is diesel. Initially, this verification is done with the owner and subsequently this is verified against the DVLA database;
- (Jim Rogers) Virtual parking permits will mean that residents may not be able to tell whether or not a vehicle is parked legally as there won't be anything on the car to denote this status. However, enforcement officers will be able to check the legality of the parking;
- (Jim Rogers) Residents can now report illegal parking out of usual office hours by calling the usual number and selecting a designated option to take them through to the team leader's mobile phone or the team answerphone;
- (Jim Rogers) Unaware of any complaints regarding street electric charging points taking up parking spaces;
- (Jim Rogers) Using the ANPR system, officers will be able to view in real time in the office contraventions of parking restrictions outside schools. Regulations require that a second officer views and agrees these contraventions before a penalty charge notice can be issued. Merton's two camera cars are still in use. However, they aren't used to enforce parking restrictions outside schools because they too struggle to find an appropriate place to park. Rather they are now being used to successfully enforce bus stops;
- (Jim Rogers) The large number of calls received by the parking team in relation to parking permits reflects that the period covered included the implementation of the diesel levy and the introduction of a number of control parking zones;
- (Jim Rogers) Working in partnership with organisations such as LoveWimbledon, it has been established that the free Christmas parking initiative hasn't generated an increase in footfall/income for local businesses. Given the cost to the Council (in lost revenue from parking fees) it needs to be demonstrated that free Christmas parking is having a positive benefit for the local economy;
- (Jim Rogers) The level of saving anticipated from going to all payments for parking being cashless will be supplied after the meeting. A phased approach will

be taken to going to all cashless payment. This is likely to happen as the number of controlled parking zones increases;

- (Chris Lee) Cashless parking operators have alliances with newsagents to allow payment for parking where the driver is unable to use the cashless parking system;
- (Jim Rogers) Less than 1% of the Penalty Charge Notices issued proceed to London Tribunals for adjudication. There has been an increase in the total number of cases going to Tribunal now compared to 2018 but this reflects the increase in PCNs issued following the implementation of the ANPR system and an increase in traffic contraventions being captured;
- (Jim Rogers) Adjudications are tracked and assessed and if it were ever to be deemed appropriate, Merton would alter its practice accordingly. However, some variability in adjudications has been noticed;
- (Jim Rogers) How new requirements on anti-idling will be enforced in the borough is still being considered. In part this will be determined by requirements. If this is viewed as a parking contravention, it will require enforcement by an officer.

RESOLVED: To consider the options for free Christmas parking as part of the wider budget scrutiny at the November 2018 meeting.

6 WASTE COLLECTION SERVICE - PROGRESS UPDATE (Agenda Item 6)

The Panel received a representation from Terry Langford, a Merton resident. Ms Langford highlighted that she already receives an assisted collection. Having contacted the call centre to request the same following the rollout of the new waste service, she noted that no response has yet been received.

In response, Anita Cacchioli, Interim Assistance Director Public Space, thanked Ms Langford for her comments and noted that any resident already receiving an assisted collection under current arrangements would continue to do so and that there is no need for anyone already receiving an assisted collection to do anything further. These arrangements will simply continue. It is only those that wish to begin receiving assisted collections that have been asked to provide notification.

Cllr Brunt, Cabinet Member for Environment and Street Cleanliness, provided an introduction to the item. The new service, commencing from 1 October 2018, is the most significant change to waste services that the borough has ever experienced. Delivery of wheeled bins has commenced. Rollout of the new service is also happening in Croydon but is one month ahead of Merton and therefore collections under the new arrangements have now started. There has been a significant number of public engagement events that have happened across the borough to promote and explain the new service. These have provided residents with the opportunity to talk to both officers and Veolia staff about the service. It's estimated that these have engaged around 2,000 residents and allowed discussion of some residents sharing bins, difficulties regarding some properties not having sufficient space to store bins and requests for larger and additional bins.

It was highlighted that the wheeled bin service caters to 64,000 households across the borough and therefore the service change is an enormous task. Noted that some residents don't trust Veolia to correctly return bins to their property. The Cllr asked that residents, officers and Veolia work together to get the new service working correctly including that residents make reports where the service isn't happening as required. Resident reports are needed in order to achieve enforcement of the contract.

Noted the enhancements that are being achieved through the new service with clothing and battery collections happening from the kerbside (batteries are especially causing difficulties in landfill). Also highlighted the need for Merton to improve its recycling of food waste to increase take up and volume so that this is no longer included in residual waste to go to landfill. On average Sutton households are recycling twice as much food waste as those in Merton demonstrating that there is room for improvement. The general deterioration in street cleanliness was also noted and that there are those that are welcoming the service change in order to address these issues in addition to lowering the costs of the service. Finally, it was noted that the new service was a key part of the administration's manifesto at the election in May 2018.

Charles Baker, Commissioning Manager for Waste and Fleet Services, added that the largest number of calls to the contact centre has been to request bigger and more bins. There have been 4,000 request for food waste caddies. However, with only an estimated 30 – 35% of households in Merton currently using these, further take-up is needed in order to get the coverage needed. There has been an 8% increase in requests for assisted collections and eight wards have received their wheeled bins with deliveries ongoing throughout September.

In response to member questions, the following clarification was provided:

- (Cllr Brunt) The information provided to residents on the new service rollout has been clear, concise and comprehensive. A postcard will be delivered to all households with their last collection under current arrangements to highlight that their next collection will be under the new arrangements;
- (Chris Lee) As with any contract, there is a need to achieve some clarification once it is underway. This would be the case with any contract. These discussions are commercially sensitive and therefore cannot be shared at the current time. However, it is hoped they will be concluded as soon as possible;
- (Cllr Brunt) Aware of a small number of complaints regarding the delivery of the wheeled bins which are currently being addressed. Discussions are ongoing regarding the collection of old bins that will no longer be used. It is hoped it will be possible to put something in place within two months of the service going live. However, the priority currently is to get the new service up and running;
- (Cllr Brunt) Changes to the phasing of street collections have been made to ensure that collections from high density areas across the borough happen on Tuesdays, Wednesdays and Thursdays. This has been specified by the contractor as it is the contractor's role to specify how the contract is best achieved;

- (Charles Baker) There are currently no plans to collect oil at the kerbside. This is because large collections of oil result in this being classed as a hazardous material for which a specialist contractor/service is required. However, if this is taken by residents to the Garth Road facility, there are designated containers in which oil can be disposed of safely. Arrangements for the collection of Christmas trees remains unchanged and will occur from the kerbside in the two weeks following Twelfth Night;
- (Charles Baker) The bulky waste service is very popular which is why there is a two to four week lead time for collections which mirror the schedule for other waste collections. Work is happening to try and reduce this lead time as much as possible;
- (Charles Baker) Ideally existing bins will be reused or recycled. An arrangement has been put in place for any old bins taken to the Garth Road facility to be recycled;
- (Charles Baker) Aware that there are some maisonettes that incorrectly received information on the new service intended for houses. These have subsequently received the correct information. If there are any other households that have received incorrect information, please notify officers so this can be rectified by the contractor;
- (Cllr Brunt) The existing team of three Neighbourhood Services Officers is increasing to five in order to provide more resource to enforce the contract. Highlighted that the contract takes time to bed in. Examples of Veolia taking action to improve the service includes letting some staff go who weren't working to the required standard. The Council needs to allow the contractor to take this action. It's the Council's role to manage the contract which means notifying the contractor of deficiencies so that it can make the necessary rectifications. Tight management of the contract is required to improve performance;
- (Chris Lee) An increase in calls to the contact centre is anticipated with the start of the new service. There has been an increase in call centre staff made since the beginning of August. However, there hasn't been a spike in calls to date. This is seen to demonstrate that resident questions have been addressed by the leaflets and other communications. Noted that the service is now live in Croydon and delivering satisfactorily although hiccups both in Croydon and Merton are anticipated;
- (Charles Baker) Timing for the evaluation of the rollout is yet to be determined. However, this does have an allocated budget and the involvement of the Sustainable Communities Overview and Scrutiny Panel in this process would be welcomed.

RESOLVED: To involve residents and seek their feedback on the rollout of the new service as part of the planning for the Veolia item that will come to the Panel in February 2019.

7 CROSSOVERS TASK GROUP RECOMMENDATIONS - ACTION PLAN (Agenda Item 7)

The following clarification was provided in response to member questions on the action plan:

- (Chris Lee) It is common practice for a limit of 2.5 annual permits to be issued per bay in controlled parking zone areas and for no further crossovers to be allowed where this limit is met. This is to prevent parking stress in the area. These details appear in the consultation that takes place for each controlled parking zone; and
- (Paul McGarry) There is a separate fee levied for building crossovers. This is in addition to the application fee. This reflects that some applications are not approved but that the Council still needs to cover its costs in considering the application. The Council undertakes the construction of all approved crossovers as they remain a Council asset.

8 PERFORMANCE MONITORING (Agenda Item 8)

Chris Lee provided an introduction to the performance monitoring data set for the Environment & Regeneration Department, highlighting the following items:

- The figures on page 51 of the agenda pack demonstrate that Merton is winning more parking tribunal cases than expected with a very small proportion of all cases ending up at tribunal;
- SP 494 – air quality monitoring: this is a target that will not be met. This is the same for the rest London as it is for Merton; and
- SP 020 – new homes: the figure for 2017/18 is now available with 648 new homes having been built against a target of 435. This is therefore a significant achievement but the London Plan is likely to include an annual target for new homes in Merton that is twice this figure. This will be a significant stretch; and
- CRP 051/052/052 – determination of planning applications (major, minor and other): all are ahead of target.

Cllr McLean, the performance monitoring lead for the Panel, had held a pre-meet with officers to look at the data set in more detail. As a result of this he made the following comments:

Community & Housing:

- Housing Needs stats: as anticipated the service is seeing an increase in clients as a result of the new Housing Reduction Act but currently this isn't having an impact on service performance. It is still very much early days in terms of the Homelessness Reduction Act with officers continuing to monitor;
- SP280/no of active volunteers in libraries: whilst this is achieving above target, there is still a focus on increasing the breadth of volunteers and addressing the east/west divide. A targeted campaign will take place during the autumn; and
- SP480/visitor figures: this figure is incorrect and is currently around 15,000 visitors below the year to date target. This is something for the Panel to potentially keep an eye on throughout the year.

Environment & Regeneration:

- SP494/monitoring sites exceeding national levels: these figures are for the new way of measuring air quality. We look forward to understanding these new figures better and monitoring as we move forward. Obviously, this is an important

measure given the known impact of poor air quality on health outcomes for residents;

- LER OS 01 Park Quality Management Score: this is a new measure that it is good to see being included in the performance monitoring as it gives the Panel another way of scrutinising the Idverde contract; and
- CRP 051/052/053 processing of planning applications: performance on these seems to be improving. This is welcome and assumed to be as a result of additional resource being provided through Capita.

In response to member questions, the following clarification was provided:

- (Chris Lee) It is the Council's role to enforce the contract with Veolia. This allows for deductions to be made where the service delivered isn't as specified. Deductions for 2017/18 and this year are currently. This information will be shared with the Panel once the deductions are agreed;
- (Cathryn James) There has been an increase in longer term sickness amongst parking staff due to two genuine cases with a return to work in both cases anticipated shortly. There has been a decrease in short term sickness amongst parking staff;
- (Cathryn James) The perceived shortfall in the income from the Regulatory Services Partnership is a phasing issue. Income is received in large tranches rather than being uniformly phased throughout the year. This position will be recovered during the year;
- (Charles Baker) The increase in weeds has been caused by Veolia spraying too early (with snow falling subsequently limiting effectiveness). The Neighbourhood Client Officers are monitoring the situation and reporting. Veolia is then manually weeding with a hoe. This takes longer and isn't as effective;
- (Charles Baker) Litter being above target every month since the contract with Veolia commenced in April 2017 is a concern. The introduction of wheeled bins will address some of the issue as these will better contain litter. However, litter is also caused by this being dropped by residents and visitors to the borough. Fines need to be used to generate behaviour changes and enforcement; and
- (Chris Lee) It is assumed that the drop in leisure centre users may reflect that the facilities are now aged and because of the hotter weather. The Council is working with GLL, the operator, to encourage greater use.

A question was received from a resident in advance of the meeting to which the chair gave her permission for this to be asked at the meeting: Is the Panel aware that Waste Services have been failing to address errors in the processing and reporting of CRM data for waste services collections, that impact the reporting of KPIs (RE complaints ER18S1070 and ER18S2025 unanswered)? What action will the Panel take to enforce scrutiny and corrective actions?

Charles Baker gave the following response:

All reports of missed collection are captured in our Customer Relationship Management (CRM) system. This is reliant on resident reports made on-line or by phone to LBM's contact centre. The system integrates with Veolia's ECHO system and tasks are created for the collection crews to complete.

It is important to note that when reporting on the level of performance for waste collection we use the raw data extracted from the CRM. This is different to our data set when measuring Veolia's efficiency and the time taken in rectifying areas of missed collection.

We are aware that the quality of the CRM data relies on the collection crews updating the system accurately and only closing tasks once completed. In order to monitor the accuracy of this data our Neighbourhood Client Officers (NCO's) undertake spot checks and monitor the level of compliance. Any area of discrepancy that is identified is investigated and the data amended or a new task created.

Note - The time allocated to these spot checks has been limited. In order to address this additional resource has been secured and the level of inspections will increase once the relevant induction/training has been completed.

9 WORK PROGRAMME (Agenda Item 9)

Cllr Butler requested to join the single use plastics task group.

RESOLVED: That Cllr Makin will provide a written update by email regarding the climate change task group.