

Agenda Item 3

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SUSTAINABLE COMMUNITIES OVERVIEW AND SCRUTINY PANEL 2 NOVEMBER 2017

(7.15 pm - 10.12 pm)

PRESENT: Councillors Abigail Jones (in the Chair), Daniel Holden, Stan Anderson, Kelly Braund, Michael Bull, David Chung, Dennis Pearce and John Sargeant

ALSO PRESENT: Councillor Agatha Mary Akyigyina OBE, Stephen Crowe, David Dean, Nick Draper (Cabinet member for Community and Culture), Ross Garrod (Cabinet Member for Street Cleanliness and Parking), John Hill (Assistant Director for Public Protection), Graeme Kane (Assistant Director of Public Space, Contracting and Commissioning), Chris Lee (Director of Environment and Regeneration), Paul McGarry (FutureMerton Manager), James McGinlay (Assistant Director for Sustainable Communities), Doug Napier (Leisure and Culture Greenspaces Manager), Judy Saunders, Martin Whelton (Cabinet Member for Regeneration, Environment and Housing) and Annette Wiles (Scrutiny Officer)

1 APOLOGIES FOR ABSENCE (Agenda Item 1)

There were no apologies for absence.

2 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 2)

There were not 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:

- The Head of Library, Heritage & Adult Education Service is looking to introduce a different performance indicator for 2018/19 as part of the Service Plan process. The service will continue to report in the exiting format for this year;
- Cllr Holden noted that he is yet to provide the Panel with his briefing note. However, he noted this will be forthcoming when time allows;
- The slides/presentations from the recent Public Transport Liaison Committee have been distributed; and
- Cllr Sargeant noted the Panel's request to have new KPIs on enforcement.

4 PERFORMANCE MONITORING: SOUTH LONDON WASTE PARTNERSHIP - PHASE C (Agenda Item 4)

The session opened with a number of representations from Merton residents and businesses:

1. Helen Clark Bell, Chief Executive of Love Wimbledon

As the representative organisation for 460 businesses in Wimbledon Town Centre, detailed how it and its members have worked in partnership with the Council. Relations were good, communication was strong and partnership working was the norm. However, following the commencement of the contract in April, feels that the streets in Wimbledon look the worst they have in years; bins are overflowing and streets are not swept. Has taken action including meetings with senior Council officers and Veolia. Wrote to elected members and Cabinet Members to try and resolve the persistent and embarrassing state of the town. Love Wimbledon's street ranger now spends 50% of his time trying to resolve waste issues.

2. Charlotte Holt, Cricket Green Ward

Reported a decline in street cleanliness in her area; no street cleaner has been seen in the ward for weeks. Also noted the prevalence of fly tipping and the time taken for this to be addressed by Veolia. Called on the need for a great improvement/change in the service being provided by Veolia.

3. John Merriman, Crown Lane Studios

Detailed the difficulties he had experiencing in setting up a business waste service including not being able to locate a member of the Veolia team who could assist him and having to make repeated phone calls in order to secure a quote for a business service. Noted that his business had gone with another provider in the end and questioned if Veolia cares about Merton.

4. Edward Clark, Street Representative for the Apostles Residents Association

Highlighted that he had found out about changes to the waste service resulting from the commencement of the contract and had very good meetings with Merton officers. However, feels that problems arise when messages are passed to Veolia; there is a lack of action when issues are reported. Suggested that Veolia needs to be carefully monitored.

5. Hilary Morris, Battles Area Residents Association

Recommended that the obligations under the contract need to be better monitored. Noted that fly tips in her area are being reported but are not being addressed. Cllr Neep is having to do a weekly monitoring visit in the ward and is repeatedly chasing Veolia to ensure action. Residents are having to clear leaves and gutters themselves. There are no regular street sweepers meaning rubbish dropped by bin men is accumulating. There are also overflowing bins in the park and green sacks are not being cleared from streets on the same day. Called for greater use of fines and enforcement.

Graeme Kane, Assistance Director for Public Space Contracting & Commissioning,

responded to the representations made. It is his role along with his three person neighbourhood officer team supported by the enforcement team to monitor and manage the waste and greenspaces contracts along with the South London Waste Partnership. It is very much his aim to achieve a clean borough and streets through waste and recycling collections. Takes no pride in the issues that have been highlighted. Noted that some level of disruption was always likely with the

commencement of the contract. However, this has been longer and more significant than was thought likely.

Along with his team, he is continuing to work towards an improved service. Expressed gratitude to residents and Councillors that are helping by reporting issues with the service. He and his team will continue to listen to these reports and resolve the issues. Highlighted that he and his team want to continue to hear from residents and Councillors when their expectations are not being met. Noted that improvements are being planned to the website to make it easier to report issues with the service.

Scott Edgell, General Manager of Veolia Environmental Service UK, also responded to the representations made starting with an apology for the teething difficulties experienced with the service received since the commencement of the contract. Highlighted that Veolia is very experienced in providing waste services for London boroughs as it holds the contracts for 13 out of the thirty two. However, the contract is a challenge and Veolia is only now able to start restructuring and re-routing the service as it starts to build its local knowledge in order to make delivery of the service more effective. Acknowledged the issue with fly tipping which requires more resources to address.

Stated that Veolia will deliver a good service with no dirty streets and an increase in recycling rates. Accepted it had been a challenging few months with the transfer of staff from Merton's employment and the rollout of new technology which still needs to be completed. Requested to be invited back to scrutiny to demonstrate that whilst a fix couldn't be instant he and Veolia are committed to making this happen.

Graeme Kane, Scott Edgell and Cllr Ross Garrod (Cabinet Member for Cleanliness and Parking) responded to member questions, providing the following clarification:

- Graeme Kane: the presentation policy is clear: all bins need to be placed at the edge of the property (not on the pavement) by 6am on the day of collection. It needs to be this early given collection times are beginning to change as Veolia starts to make alterations to routes as it builds its local knowledge;
- Scott Edgell: the service is 'as is' currently. Therefore completely the same as when the London Borough of Merton was directly responsible for the delivery of the service prior to the commencement of the contract;
- Scott Edgell: Veolia staff are being effective in reporting fly tips – so far they have reported 4,880 tips in the first 190 days of the contract. Staff are also reporting incidents of graffiti;
- Cllr Garrod: the contract is very detailed and inclusive of financial penalties for poor service performance. The Council is taking an active role in monitoring its implementation and the resulting service;
- Graeme Kane: the right performance monitoring measures are in place; monitoring is being achieved through the collation of data from the website, call centre, Councillors, on the ground visits etc. The contract is reviewed strategically through the South London Waste Partnership;
- Graeme Kane: it is feasible to deliver the service under the contract arrangement - the Council went out to the market in a open bidding process to which Veolia

responded based on its experience of delivering equivalent services in other London boroughs;

- Graeme Kane: the neighbourhood officers are working to build the relationships with Veolia's representative which take times;
- Scott Edgell: Veolia was prepared for the start of the contract and changed very little for the first four months to avoid disruption to the service. Veolia is only now starting to adapt the service to provide the same level of service in a more productive and efficient way. This is informed by the data collection it has achieved over the past four months which is allowing it to start to modify routes etc to achieve greater efficiency;
- Graeme Kane: agreed with Cllr Chung that efficient removal of fly tips builds expectation with those that are tipping that they can continue to do so. The Council is about to launch a new campaign highlighting the fines that are issued for littering and fly tipping;
- Scott Edgell: Veolia is working to deliver a parity of service over the next three months. This includes having additional vehicles, ensuring that green sacks are removed on the same day, fly tips are cleared and litter bins emptied. There will be an increase in the resources available to deal with fallen leaves and additional weed spraying will take place (with an emphasis on centre islands). Teething issues are likely to persist into the New Year but these are typical for a new contract and similar has been experienced in other boroughs. Staff training will also start to address difficulties. Initially Veolia didn't have sufficient data but this is being built over time. Confident that significant changes in the service will be delivered over the coming months;
- Scott Edgell: returning bins and recycling boxes to properties is always an issue. Will ask Collection Managers to monitor by visiting a number of routes and taking any necessary action to rectify;
- Scott Edgell: a lack of local knowledge is common when commencing a contract. This has been addressed by methodically documenting rounds and starting to make changes to achieve efficiency as this knowledge has been built. Integrating the IT systems of both organisations will help;
- Graeme Kane: the contract was let through a competitive process that saw several companies come forward with Veolia ultimately being successful. It is not unusual for the details of the contract to remain private given their commercial sensitivity. The Council is providing the service to residents and therefore it is important that it is clear about the service levels provided; we have provided these openly on our website and to Members;
- Scott Edgell: it is usual that details of any Veolia contract remain private because they are commercially sensitive. The South London Waste Partnership is currently looking at what information from the contract can be released; and
- Graeme Kane: communication to residents about revisions to the waste collection service over the Christmas period is about to start.

Cllr Bull proposed a motion (seconded by Cllr Holden) to recommend to Cabinet that there be an investigation into whether or not there has been a fundamental breach of the contract. Cllrs Bull and Holden voted in favour but as no other member did, the motion fell.

RESOLVED: the Panel resolved to make the following reference to Cabinet at its meeting on 13 November 2017:

1. The Panel recommends the need to maintain the close scrutiny of Veolia and its fulfilment of the contract for waste, recycling and street cleaning, specifically over the next three to six month period (indicated as the time required to fix initial difficulties following the commencement of the contract);
2. The Panel calls on Cabinet, and specifically the Cabinet Member for Cleanliness and Parking, to work in partnership with Panel members to ensure this scrutiny is effective through the sharing of resident and business feedback on the service and relevant data;
3. In addition to that already provided on waste management and street cleaning in the performance monitoring report, members request that they receive trend data from the commencement of the contract updated monthly to allow them to readily understand the developing performance of the service including:
 - a. The number of missed bins per 100,000 per month;
 - b. The percentage of household waste recycled and composted per month;
 - c. The total number of fly tips recorded per month;
 - d. The total number of sites surveyed on local street inspections for litter per month;
 - e. The percentage of sites surveyed on local street inspections that are below standard per month;
 - f. The total number of incidents of graffiti dealt with per month; and
 - g. The number of customer complaints received per month relating to the waste, recycling and street cleaning service.
4. Where it is available, members would value having comparable data for each month of the last year of operation by LBM.
5. Panel members also request updates are provided at each of their meetings for the remainder of the 2017/18 municipal year on:
 - a. The integration of Merton's customer relationship management (CRM) system and the contractor's operational systems;
 - b. Efforts being made to improve the collection of green sacks;
 - c. The approximate value of service performance deductions per month imposed on Veolia under the terms of the contract;
 - d. Progress being made with weeds through the scheduled application of pesticides in autumn and the New Year; and
 - e. Steps being taken to ensure all operatives understand the 'as is' service including collection from the edge of properties and an adequate return policy.
6. Panel members recommend that Mr Edgell be invited to attend its meeting in February 2018 so that progress against all these items can be further scrutinised with his assistance (in addition to him supporting the agenda item on the rollout of the new service provision which will come into effect in October 2018). Thereafter, Mr Edgell (or another suitable Veolia representative as is appropriate) is asked to attend Panel meetings every six months to further support the scrutiny of the service being provided.
7. Panel members recommend that the Cabinet Member for Cleanliness and Parking also attend all Sustainable Communities Overview and Scrutiny Panel

meetings until the end of the current municipal year to assist it in undertaking its on-going scrutiny of Veolia's performance.

8. Panel members noted that this reference sits in addition to the action agreed at Council on 13 September 2017.

5 PRE-DECISION SCRUTINY: BUDGET AND BUSINESS PLANNING (ROUND 1) (Agenda Item 5)

Caroline Holland, Director Corporate Services, provide an introduction to the item on budget/business planning (round 1). It was noted that this is the first round of budget scrutiny with a further round happening in the New Year before the Cabinet meeting at which the budget is finalised for approval at Council. The objective of this first round is to provide an update on the Medium Term Financial Strategy and look at the savings and capital programme.

Highlighted there have been changes to the financial gap; whilst there is no additional funding needed in 18/19, from 19/20 onwards a significant increase is needed. There is a predicted gap of £5.7m in 19/20 which rises to £21.7m cumulatively in 21/22.

The budget forecast has been put together inclusive of a number of assumptions. For example, that there will be an increase in staff salaries based on press reports. This won't be clarified until the budget on 22 November 2017. Until this time, a 2% increase over 2 years has been allowed.

It has been determined that it makes no sense to give additional funding to the Children, Schools and Families and Community and Housing budgets in one year only to expect to take this back as savings in the next year. For this reason, it has been determined that the Environment and Regeneration and Corporate Services Departments will make the necessary savings in the short term. Also, funding of capital expenditure has been considered.

Chris Lee, the Director of Environment and Regeneration, provided further clarification in response to member questions:

- As detailed on pages 30 and 31 of the agenda pack, the planned savings for 2017/18 have not been delivered and as indicated by their RAG status this is unlikely to change. For example, the planned increase from building control services has not been realised because this has become a very competitive market and it has been difficult to recruit additional inspectors. Pre-app income has not increased given the public's unwillingness to pay for this service. The planned reorganisation of staff has been affected by the delay in the rollout of ANPR. Additionally, the increase in planning fees promised earlier in the year by Government has not materialised;
- As a result, it is proposed that these unrealised savings are mitigated through the following means: 1) the surplus from the diesel surcharge (being used to fund the Freedom Pass); and 2) an underspend of around £300K. One new saving is proposed which arises from a two year extension to the GLL contract for managing the leisure centre;

- The savings table, on page 31 of the agenda pack, shows that these additional, ambitious savings targets have not been realised. However, it doesn't mean that there has been no income from items such as the commercial use of parks. Rather this table shows that the additional income target has not been met;
- It is thought unlikely that a saving could be made through the sending of planning consultation letters by email because insufficient email data is held; and
- The free Christmas parking scheme remains unchanged for this financial year. It is proposed to bring forward evidence of the effect of the scheme in 2017 for the scheme to be reviewed in 2018. Currently, the evidence does not exist on which to make decisions about the operation of the scheme. Cllr Sargeant noted that there was also no evidence to support the introduction of the scheme. A motion was proposed by Cllr Bull and seconded by Cllr Holden calling for the Christmas Parking Scheme to be reviewed for the next financial year. Cllrs Bull, Holden and Sargeant voted in favour of the motion. Cllrs Anderson, Braund, Chung and Makin voted against. The motion therefore fell.

Caroline Holland clarified that the increase in the budget for the taxi card/concessionary fares item is linked to inflation.

RESOLVED: the members noted the difficulty they had in following the report and asked that headings be better used and more explanation provided. Caroline Holland noted that this couldn't be addressed with the current report which had already gone to Cabinet. However, this would be taken into consideration when preparing the second round of budget reports for meetings in January 2018.

6 UPDATE REPORT: PUBLIC SPACE PROTECTION ORDERS - DOG CONTROLS (Agenda Item 6)

Doug Napier, Leisure and Culture Greenspaces Manager, introduced the item by providing verbal feedback on the dog controls public consultation which had just concluded. This received 1,250 responses, 77% of which were Merton residents and 54% dog owners. Of these the vast majority have one dog whilst 60 respondents have five or more dogs whilst one has 10 dogs and another respondent has 20.

The consultation found that there is good public support for the proposals to be enshrined in the Public Space Protection Order:

- 98% in favour of prohibiting dog fouling by ensuring that dog owners and walkers clear up after their dogs;
- 88% in favour of dog exclusion areas;
- 76% in favour of dogs to be put on a lead in public spaces when directed to do so by an authorised officer; and
- 70% in favour of four being the maximum number of dogs that can be exercised by one person in open spaces at any one time.

In response to member questions, Doug Napier clarified:

- How these proposals are to be enforced is yet to be determined. Use of Environmental Enforcement Officers is being explored;

- The free form text element of the public consultation is yet to be analysed. A full analysis of the consultation will be distributed to all Councillors; and
- It will be possible to consider in the future specific action to address aggressive dogs.

7 DRAFT FINAL REPORT: CROSSOVERS TASK GROUP (Agenda Item 7)

Cllr Chung, as Chair of the Task Group, introduced the draft report to the Panel highlighting the effect that crossovers can have on drainage and the risk of flooding and street scene. Also highlighted how the associated rise in vehicles is causing air pollution and difficulties being caused by overhanging vehicles especially for wheelchair and pram users. On the other hand, and to provide a balanced view, he highlighted that residents want to park close to their properties for security reasons and that properties with a crossover are likely to benefit from an increased value. Therefore it has been important for crossovers to be reviewed and for the task group to take a balanced approach. The nine recommendations made would allow for a gradual change in strategy and an improvement for residents. Thanks were given to the other London Councils that supported the review through the sharing of practice and experience. Additionally, officers Alisha Muhmood and Stella Akintan were thanked for their hard work in supporting the task group and the preparation of the draft final report.

In response to member questions, the following clarification was provided by Cllr Chung, Chris Lee, Director for Environment and Regeneration and John Hill, Assistant Director, Public Protection:

- Cllr Chung: there is a need to increase charging to allow resources to be accumulated so that it is possible to enforce the setting of an allowable limit for overhanging vehicles;
- John Hill: currently the department is awaiting a legal opinion on the use of Community Safety Notices to address overhanging vehicles. The difficulty with this route is that some measure of frequent occurrence is required which can be hard to achieve. Noted that other boroughs are using other legal means such as Newham's use of destruction notices; and
- Chris Lee: there is a need to explore the use of a set limit to the number of crossovers to be permitted. Whilst this might cause difficulties it may be necessary to ensure that there is sufficient parking space available. Cllr Bull noted that this may be required to make a CPZ area viable.

RESOLVED: to accept the report and to forward it to Cabinet for its consideration.

8 WORK PROGRAMME (Agenda Item 8)

Due to pressures of time, members made no comment on this item.

9 EXTENSION OF MEETING (Agenda Item 8a)

In accordance with the provisions of Council Procedure Rule 7(m) and Part 4A of the constitution it was agreed at 10.00pm to extend the meeting to 10.15pm.

10 PRE-DECISION SCRUTINY: MORDEN RE-DEVELOPMENT (Agenda Item 9)

The minute of this item is exempt and remains restricted.

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