

Committee: Sustainable Communities Scrutiny and Overview Panel

Date: 20th March 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:

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, and street cleaning.

1 PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1. At their meeting on 2nd 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.

2 DETAILS

- 2.1. At their meeting on 2nd 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 (3rd 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 or fewer per month.

2017/18	April	May	June	July	Aug	Sept
Missed bins per 100,000 collections	48	68	77	90	75	107
Percentage of collections missed	0.05	0.07	0.08	0.09	0.08	0.11

2017/18	Oct	Nov	Dec	Jan	Feb	March
Missed bins per 100,000 collections	146	123	86	139	93	-
Percentage of collections missed	0.15	0.12	0.09	0.14	0.09	-

- 2.4. The average for the first eleven months is 96 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. Any snow event presents a challenge to the delivery of waste and street cleaning services. Veolia handled the disruption successfully and communicated well with LBM officers, who in turn informed residents of any delays through the website, contact centre and social media. Whilst some services had to be delayed owing to the inclement weather and road conditions, the service did not suffer as much disruption as some London authorities and the crew caught up with their work during the following weekend or early in the following week. The bulky waste collection service was postponed in order to provide drivers for the main rounds, but these jobs were subsequently picked up.
- 2.7. **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 though it has been consistently better than the previous year.
- 2.8. 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 (monthly totals)										
	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan
2016	36.92	36.64	36.75	36.41	37.47	38.03	37.31	32.58	34.87	35.2
2017	40.52	37.21	39.07	38.16	37.98	38.45	39.7	38.62	36.8	36.5

2.9. Fly tips

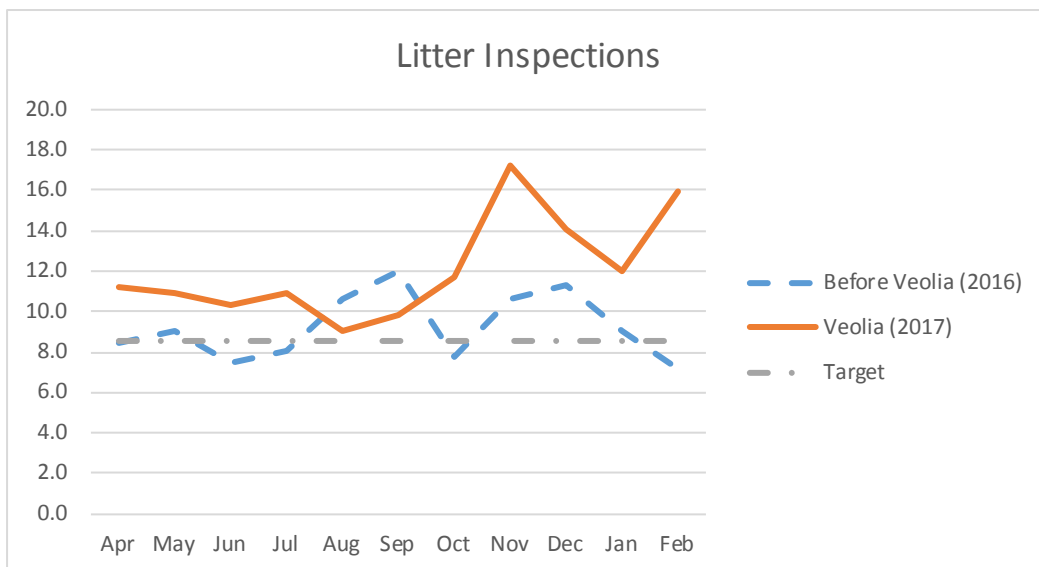
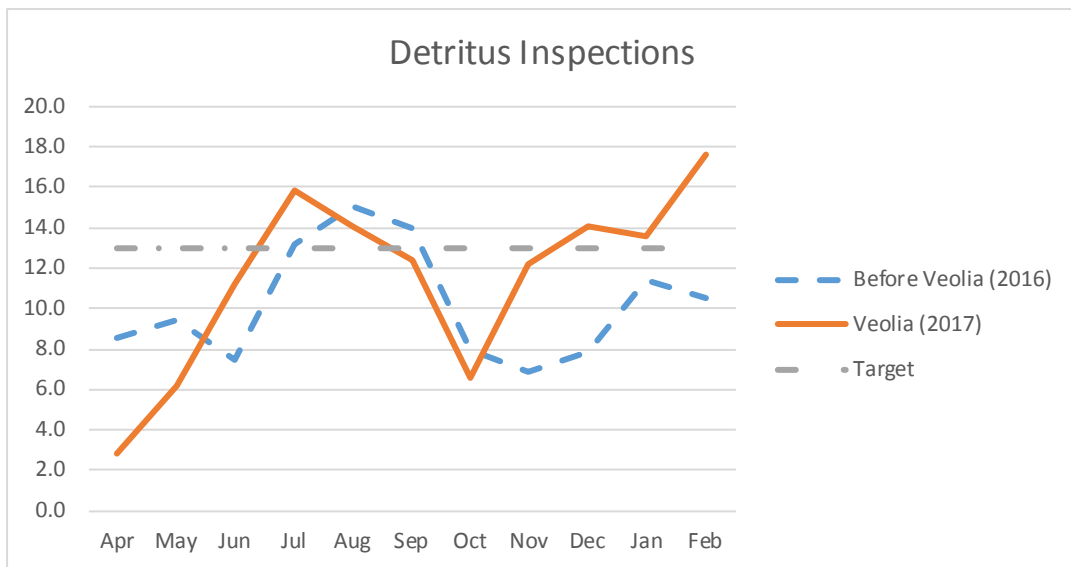
2.10. The table below presents the number of fly-tips reported (previous fly-tip records are not comparable given the changes in data capture and reporting technology). Whilst some reports may be duplicates, it gives an impression of the volume of fly-tips that Veolia are required to clear each month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

	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb
2017	600	523	523	629	542	745	832	920	638	913	708

2.11. Street cleaning

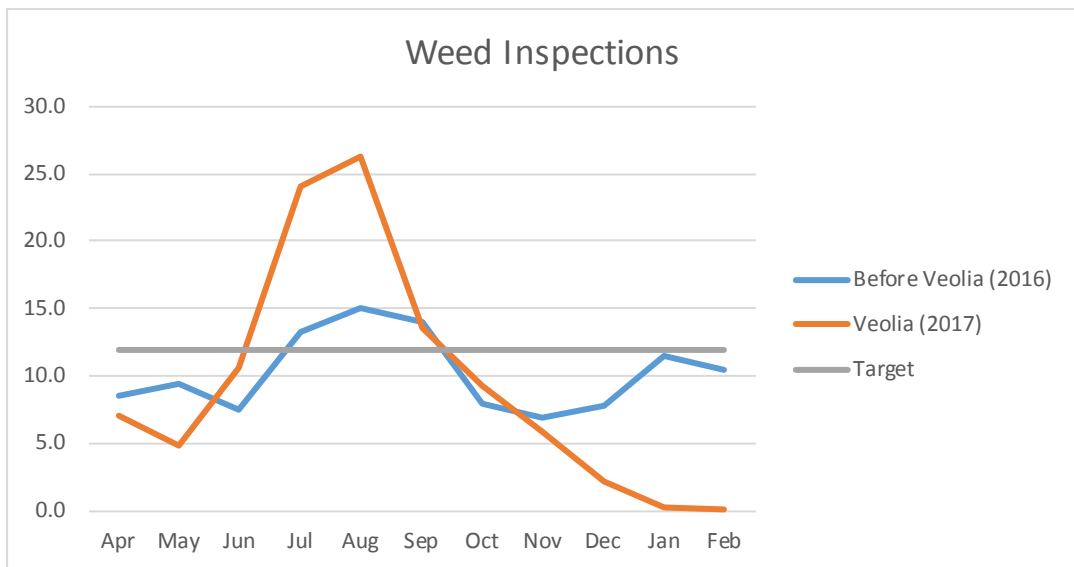
2.12. LBM's Performance Monitoring Officer undertakes monthly and quarterly inspections at random across the borough to assess for litter and detritus separately. The data from these inspections provides an insight into the street cleanliness of Merton's roads over time. The graphs below compare the results of these inspections between April - January 2016 (before Veolia) and April - January 2017 (with Veolia). The scores are based on the former Defra National Indicator 195 for street cleanliness; LBM's performance target are as follows: less than 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.

2.13. A great deal of the litter on Merton's streets originates from black bag and recycling collections. Veolia, at their expense, introduced 6 additional litter pickers to follow the recycling collection crews on the day of collection to pick up litter left behind as a result of animals or wind distributing waste across the streets. This arrangement began on 6th March and is expected to improve the performance of street cleanliness.



2.14. Weeds

2.15. 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. Veolia have provided the weed spraying schedule for the following year; spraying is currently due to begin in April.



2.16. Collection of street cleaning sacks (green sacks)

2.17. 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 in February indicates that 10 of the total 708 reports made reference to street cleaning/ green sacks being part of the fly-tipped material, which is 1.4%.

2.18. Winter gritting

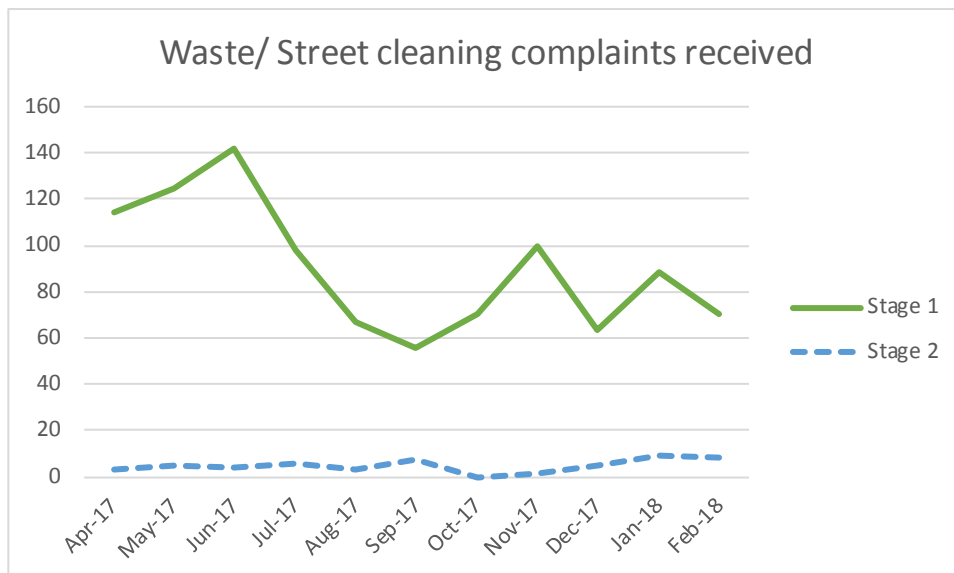
2.19. Veolia provide the winter gritting service in conjunction with LBM's Highways Team. The service has been operating well with the priority routes being gritted at the instruction of LBM Highways Officers when the weather has required it.

2.20. Veolia handled the recent snow event successfully and gritted the roads as required by the officers; often several times a day and through the night. They also deployed their street cleaning crews, who were unable to sweep during the snow period, to grit priority footways and pavements.

2.21. Prolonged periods of cold weather, when gritting is a regular occurrence have a cumulative effect on the daily sweeping of streets because the mechanical sweepers are not deployed on the priority gritting network. This is to avoid a situation where the sweepers are sweeping p the recently laid grit.

2.22. Customer complaints

2.23. 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:
 - Replacement/ new container
 - Bulky waste collection
- 3.6. 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 February (this includes 'cancelled' reports so the number differs from those presented in para 2.9 above)

Report Type	Phone	Web	NCO
Bring Bank Issue	1	1	15
Dead Animal	17	23	1
Drug Paraphernalia		1	
Fly-Posting		1	1
Fly-tipping	284	335	173
Graffiti	4	34	10
Litter Bin Issue	18	29	39
Street Cleaning Veolia Request			1
Street Requires Cleaning	178	257	134
Grand Total	502	681	374
Percentage	32	44	24

- 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
- 3.10. Missed bin reports can also be made on line: www.merton.gov.uk/rubbish-and-recycling/report-a-missed-collection

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.
- 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 continue to 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 the last month there have also been meetings of the Chief Executives of the SLWP authorities with the Regional Director of Veolia as well as meetings between the Cabinet Member of LBM with the Chief Executive of Veolia UK. These meetings have focused on addressing the performance of the contract and seeking to ensure long-term improvements in the standard of street cleanliness.
- 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. The SLWP are currently withholding 10% of the value of invoices each month until the deductions are calculated for all remaining months.

5 TRAINING AND SUPERVISION

- 5.1. Veolia continue to have 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.

5.2. CONSULTATION UNDERTAKEN OR PROPOSED

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

5.4. FINANCIAL, RESOURCE AND PROPERTY IMPLICATIONS

- 5.5. There are no financial implications as a result of this report.

5.6. LEGAL AND STATUTORY IMPLICATIONS

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

5.8. HUMAN RIGHTS, EQUALITIES AND COMMUNITY COHESION IMPLICATIONS

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

5.10. CRIME AND DISORDER IMPLICATIONS

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

5.12. RISK MANAGEMENT AND HEALTH AND SAFETY IMPLICATIONS

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

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

5.15. None

5.16. **BACKGROUND PAPERS**

5.17. N/A

This page is intentionally left blank