

**OVERVIEW AND SCRUTINY
18 SEPTEMBER 2018**

***PART 1 – PUBLIC DOCUMENT**

**TITLE OF INFORMATION NOTE: MOBILISATION OF WASTE, RECYCLING AND STREET
CLEANSING CONTRACT**

INFORMATION NOTE OF THE SHARED SERVICE MANAGER, WASTE AND RECYCLING

EXECUTIVE MEMBER – WASTE MANAGEMENT, RECYCLING AND ENVIRONMENT

PRIORITY - RESPONSIVE AND EFFICIENT

1. SUMMARY

1.1 The purpose of this report is to provide information and evidence to the committee regarding the mobilisation of waste, recycling and collection services from the start of the new contract in May 2018. This report will outline the issues which have led to service failures, identifying current risks, work undertaken to improve service standards and ongoing work and limitations.

2. INTRODUCTION

2.1 NHDC and EHC procured a joint waste, recycling and street cleansing contract which went live on 6th May 2018 and resulted in a change of contractor. The contract covers approximately 121,700 households and 220,000 collections per week across approximately 4300 streets. The waste collection service comprises of the separate collection of residual waste, dry mixed (commingled) recycling, paper, textiles, batteries, garden waste (for subscribers) and food waste.

2.2 The impact on the individual collection streams has been different. Missed collections have been higher across all services with the majority of collection issues relating to garden waste and food waste services. Residual waste collections have been least affected, followed by dry mixed recycling, albeit that we had problems with the collection of textiles and batteries on some collection rounds.

2.3 Week 1 of the new contract created some difficulties for EHC with some of the hire fleet being incompatible with landfill manoeuvres. This led to multiple breakdowns and delays to collections through the first week.

- 2.4 Weeks 2 and 3 saw these problems settle down for EHC but new problems arise for NHDC. The contractor Straight Ltd failed to deliver all the 231 caddies and this was not identified until the end of the delivery schedule. This led to around 900 properties beginning the food waste service without caddies.
- 2.5 The data load of garden waste customers into the Whitespace Powersuite system (the software package which runs and monitors collection services) was inaccurate. This was due to mismatches between addresses inputted by customers and the National Land and Property Gazetteer database and how the matching process was set up.
- 2.6 By the end of Tuesday in Week 2, the phone systems in North Herts were crashing due to the number of calls coming in about missed bins. Identifying the properties with missing data was pain staking and time consuming and initially we were unaware of what had caused the errors.
- 2.7 It was initially believed this affected 1500 properties but call volumes suggested the problem was likely greater. The decision was taken to reload the data and undertake a property matching exercise manually to correct incorrect addresses. The majority of these data issues were resolved on 7 June 2018.
- 2.8 By week 3 it was also clear that food waste collections were problematic with large numbers of missed streets being identified, crews worked on the Saturday of that week to catch up but collections the following Monday demonstrated that the 'collection' problems were more than just crews and agency staff getting used to new collection rounds. Some imbalance in collection rounds was identified and Urbaser put in manual round changes to improve this over the following weeks.
- 2.9 The use of in-cab has been temperamental mainly due to the hire fleet not always charging units effectively. As the permanent fleet has been gradually delivered, the reliability of the in-cab units has improved. All crews were issues with paper 'back up' round information should they find the in-cab stopped working. The short mobilisation period impacted the delivery of permanent vehicles. See section 4.2.3 for further details on the mobilisation period.
- 2.10 Additional administrative staff were brought in by Urbaser to help manage contacts in week 3 but there were additional impacts of residents using online forms to log missed bins. These currently don't automatically link to Whitespace so create an email, which then has to be manually entered into Whitespace we are finding a good percentage of these would not be entitled to have missed bins collected, either they haven't paid, weren't due a collection or were out of time reporting. By the end of week 3 the client team were informed that there was a backlog of 2000 outstanding emails.
- 2.11 Collection problems improved slightly, however during week 9 it was evident that unrest amongst staff was leading to further disruption to collections. Further additional resource in terms of supervision, administration and collection staff were added into the contract to try to alleviate the problems and improve resident contact.

- 2.12 Ongoing analysis of missed collections has identified that collection staff require more training in the in-cab systems in order to ensure that they full identify the properties requiring collections. Work is currently continuing to look at whether improvements can be made to the in-cab systems to ensure that sub streets, courtyards and flats can be viewed more simply in the system.
- 2.13 A lack of knowledge of rural collection locations has been a problem for some properties and the client team and Urbaser management team are continuing to work on ensuring collection staff have sufficient information about how to access and find the properties.

3. STEPS TO DATE

- 3.1 This information note is provided at the request of members of the Overview and Scrutiny Committee at the meeting on 12th June 2018.
- 3.2 Unanswered questions have been collated from the above meeting and will be answered as part of this report, giving consideration to the ongoing nature of some service failures. Answered questions are provided in Appendix A.

4. INFORMATION TO NOTE

- 4.1 At the meeting of overview and Scrutiny on 12 June 2018 Members requested additional information regarding the service failures being experienced by residents in particular relation to garden waste and food waste collections. Responses to questions from that meeting which were outstanding are below:-
- 4.2 What can the Council do to ensure that the public has faith in its ability to deliver future large scale contracts / projects?**
- 4.2.1 The entire project has been managed by a team of experienced officers from NHDC and EHC as well as oversight being applied by the Project Board. Both the officer team and Project Board have continued to review the risks associated with the role out of new services at the start of a new contract. In any project it is not always possible to foresee the full impact of all risks.
- 4.2.2 Joint contracts for major services present unique challenges that are not relevant to large scale projects where only NHDC is the commissioner. Ensuring the public has faith in large joint contracts with other Councils could mean that we risk assess the amount of time we set aside for negotiations and discussions with partnering Councils and Members and any additional delay which may result as a consequence of decisions being 'called in'.

- 4.2.3 The reduction in the mobilisation period of the contract from 1 year to 5 months has played a significant part in the progression of the mobilisation of the contract. The majority of this reduction was due to a change in the requirements of the specification to include garden waste charging and a change in the customer service requirements.
- 4.2.4 A key learning point from the procurement of this contract is ensuring that the impacts of any delay on future projects are fully explored and understood. This is particularly important for service related contracts where a seamless transition is required on a set date and where a delay can not impact on service start date.
- 4.2.5 SIAS will be undertaking an audit during this financial year of the contract procurement and management. The Council will review any findings from the audit and ensure these are considered for future projects.
- 4.2.6 Overview and Scrutiny were provided details of the procurement evaluation model in September 2017 and scrutinised the decisions surrounding the award of the contract on 9 October 2017 and 8 November 2017.
- 4.3 Why did the Council not spot earlier that the process of paying for brown bin services was not operating effectively?**
 - 4.3.1 Officers identified that there were elevated numbers of contacts and service problems within two days however the causes of the problems were not initially identified predominantly due to staff prioritising responding to complaints and reduced staffing levels in the client team.
 - 4.3.2 The cause was twofold and in part related to residents providing address details in a bespoke manor, with the payment system not linking to the corporate addressing system. Mandatory fields were added to improve the address data collected but this did not help where residents misspelt words or mistyped postcodes. This was particularly problematic for the corporate system for taking payments which was used in addition to the online payment portal provided by Urbaser. The 'kiosk' was used for cash payments and card payments by residents visiting the DCO, residents were able to add a payment for the service with very little information attached regarding where the service should be provided.
 - 4.3.3 The second problem with the data load related to how the matching was undertaken and how many address fields were used to match data. For example some errors occurred where there was more than one street of the same name in the district.
 - 4.3.4 The short mobilisation period (which included the Christmas holiday period) significantly impacted on the amount of time available for the payment systems to be set up in time for payments to be taken from 5th February. Any delay in the implementation would have negatively impacted on the number of residents who signed up for the service.

4.3.5 It is not yet clear why the data loading errors were not sufficiently identified at the time of the load and why they were only discovered later. The client team is in ongoing discussions with Whitespace and Urbaser to identify why loading errors were not identified.

4.3.6 During the mobilisation of any contract there is a significant amount of work required for a client team in continuing to get a contract fully operational. This work was and is, still ongoing with staff having to balance the expectations of the public with their responsibilities towards managing the contract. The short mobilisation time meant that a full compliment of reports had not been set up and tested at contract start.

4.4 What might the Council do in response to complaints that payments were made for a brown bin collection service that was not delivered as advertised in the initial month?

4.4.1 Officers are responding to all complaints coming into the service, either by telephone, email or letter. The majority of residents received a service. A further proportion of residents received a service which was delayed due to missed collections caused by data problems.

4.4.2 A smaller proportion of residents (487 or 1.8% of the 27215 customers) have experienced more than one missed collection for garden waste up until the end of August, these are being investigated to determine the causes. In most instances these relate to initial data loading issues, crews unfamiliarity with collection locations, particularly in rural areas, an imbalance of work on collection rounds and some staff behavioural problems.

4.4.3 The normal process for the management of missed bins is that a resident is able to either report direct to the Urbaser helpdesk by telephoning the Freephone 0800 number, by emailing the Urbaser team or by completing an online form, which is subsequently emailed to Urbaser. The client team is aware that residents found difficulty with all of these channels of communication which was a consequence of the volume of contacts being received.

4.4.4 In addition the client team also began to receive direct contacts regarding missed bins, due to the volume of contacts being received by the waste client team, vacancies in the team and planned annual leave due to the summer holidays complaints are not being responded to within 10 days. The auto-response being sent by the Council has been adjusted to reflect this.

4.4.5 The client team are also responding to a large number of complaints regarding single missed bins. It is not usual for a single missed bin to be considered as a formal complaint however it is clear that the expectations regarding the service standards are high. In particular, regarding the charged garden waste collection services.

4.4.6 The Council took immediate steps to mitigate the disruption to residents in the initial month and one such step was to collect all brown bins until the Council had resolved the data issues between Whitespace and the garden waste payment portal. This took place over a two week cycle.

4.4.7 The Council also held additional meetings with the contractor to discuss options from improving service standards and included discussions regarding the management of missed collections. Following these discussions, the contractor increased resources to assist with catching up on missed collections. However, it is appreciated that this has not yet resulted in the whole District receiving a good service. Going forwards, the contractor is maintaining the additional resources until it is clear that a good service can be provided within the tendered resources.

4.4.8 Table of Additional Missed Collection Crews

Week Ending	Mon	Tue	Wed	Thu	Fri	Sat
13.05.18	BH-0	3	3	3	3	0
20.05.18	3	3	1	1	1	1
27.05.18	3	3	1	1	1	1
03.06.18	2	2	1	1	1	2
10.06.18	2	3	2	2	2	1
17.06.18	3	3	2	2	2	2
24.06.18	3	2	2	2	2	1
01.07.18	3	3	1	1	1	1
08.07.18	3	3	2	2	2	2
15.07.18	3	3	2	2	2	2
22.07.18	3	3	2	2	2	3
29.07.18	3	3	2	2	2	3
05.08.18	3	3	2	2	2	1
12.08.18	3	3	2	2	2	3
19.08.18	3	3	3	2	2	2
26.08.18	BH- 0	4	4	3	2	0

4.4.9 A significant proportion of staff are proactively supporting the management team by undertaking additional overtime to rectify and catch up missed collections swiftly, this has amounted to, on average, approximately 290 hours per week.

4.4.10 Recruitment of permanent staff has been undertaken by Urbaser and additional permanent staff have been in post since early September.

4.5 Could consideration be given to putting back the start of the 2019/20 payment period by perhaps a month to reflect this delay?

- 4.5.1 This decision remains a decision for Cabinet. The Council is aware of calls for compensation and is currently considering all options and a decision will be made once the full extent of the disruption is known.
- 4.5.2 2267 properties out of 27215 (8.3%) customers experienced one or more missed garden waste collections between the start of the contract and end of July 2018. The majority of missed collections were rectified before the next collection however the data is not accurate enough to provide full details on these figures.
- 4.5.3 There are considerable costs to the Council should an extension to the service period be considered. These relate to both administrative costs in relation to updating the IT system for any extension. Or administrative costs associated with investigating individual claims if this was considered and the loss of income for providing a free service for a period or the cost of providing refunds.
- 4.5.4 There would also need to be consideration of the potential for additional communication costs to inform residents of any decision regarding an extension to the initial service period.
- 4.5.5 The cost of an extension per month to the 19/20 budget would be £90,700 based on current membership of the scheme.
- 4.5.6 The provision of the garden waste service is regulated by Chapter 4 of the Consumer Rights Act 2015. In particular, section 56 sets out a consumer's right to an appropriate price reduction. This right arises where the provider has failed to perform the services with reasonable skill and care and within a reasonable time. A right to a reduction is only available where a consumer cannot require repeat performance or there is a failure to provide repeat performance within a reasonable time.
- 4.5.7 Section 52 (3) of the Act confirms that a reasonable time is a question of fact. Unfortunately there is no further detail on what facts may be taken into account and the weightings for relevant factors. There are many relevant factors which have impacted the frequency of collection including, but not limited to, weather, staff absence and data issues. The Council has dedicated significant time and resources to ensure that bins are collected as quickly as possible and that hotspots are given specific attention. Given this background, it is not clear that any refunds are due under the legislation but there are no legal barriers to extending the current payment period in recognition of the disruption to residents.

4.6 Given that there was a known risk of Veolia employees not transferring to Urbaser, what steps did the Council take to ensure that significant local knowledge had been captured should this risk materialise and operatives no longer turn up for work?

- 4.6.1 Vacancies within the transferring team were in part as a result of a lack of recruitment by Veolia rather than staff not transferring. Access to staff was extremely limited prior to the contract start. Under TUPE legislation Veolia were required to provide a list of employees 21 days prior to the contract start. A training day was held on 5th May 2018 for North Herts staff, this was the clearest picture that Urbaser had of the staff likely to transfer to their employment on 6th May 2018. 19 employees did not transfer from the original list provided by Veolia, however 5 additional staff turned who were not on the original list. These vacancies were managed by contingency resource planned at the start of the contract. It should also be noted that the North Herts Contract Manager did not transfer from Veolia.
- 4.6.2 All paper copies of existing work were provided by Veolia and the IT system operated by Veolia containing all contractual work and round data was transferred to the Council.
- 4.6.3 The client team undertook partial random checks of the data provided to ensure paper copies and IT systems matched.
- 4.6.4 Some of the Veolia management team transferred and all of the customer service/administrative team transferred all of whom had a vested interest in ensuring that the transfer of data was provided.
- 4.6.5 The local knowledge of individual crew members can never be fully accounted for. Experienced staff have been spread across services in an attempt to ensure as much local knowledge is shared as possible.
- 4.6.6 An IT system will never fully capture local knowledge and where collection custom and practice is outside of our collection policies the client team will be working with Urbaser to change these. For example where collection staff undertake collections which are not close to the access points for vehicles and staff are performing unnecessary manual handling of bins and where vehicle movements pose a health and safety risk.
- 4.6.7 With a change in service it was necessary to employ new staff and agency staff to cover the new collection services and although existing staff have helped to provide an understanding of collection routes and locations it has not been possible to fully capture this for all areas, by swapping staff between services. This meant the newer garden and food waste rounds suffered the most from this lack of knowledge.

4.7 What arrangements were in place to ensure that those who did not get the brown bin information leaflet were able to avail themselves of the early bird rate for brown bin collection?

4.7.1 We only have anecdotal information regarding residents who did not receive the early bird leaflet. The majority of complaints of the nature were found to have received a delivery to the street, which was demonstrated through the distribution company providing satellite tracking trails. Where the tracking from the delivery company demonstrated a delivery error these residents were offered the early bird discount up to the start of the service.

4.7.2 There is always the risk that unaddressed mail will be treated as junk mail by residents and consequently additional information was provided through the local press, social media and Outlook magazine.

4.8 Does the Council know how many properties did not receive the initial information leaflet regarding brown bin collection changes?

4.8.1 No, all properties where we confirmed delivery was not made were either provided with a delivery of the leaflet or later offered the early bird discount. The letters delivered were not addressed individually and unfortunately it is likely that some households treated the letter as junk mail.

4.8.2 The delivery company used, D2D, is the same company used to deliver Outlook to the residents of North Herts. They are therefore experienced in delivering to the district and recall rates of residents receiving Outlook are high. In addition the company uses tracking devices to monitor the progress of deliveries, this enabled checks to be undertaken across the district to ensure delivery was undertaken in all areas.

4.8.3 In addition to the leaflet to every household, residents also received information to the door in Outlook magazine. Extensive publicity was undertaken on Facebook and Twitter as well as related articles in the local press.

4.9 When the Council tenders for work, where is the tipping point between efficiencies needed and the contractor negatively impacting on terms and conditions of staff?

4.9.1 Social Value is assessed in every tender, so far there have been no terms and condition changes for staff. An entire method statement was dedicated to the provision of information regarding staff resources and this was considered and scored in accordance with the published evaluation model. This evaluation model was provided to Overview and Scrutiny in September 2017.

- 4.9.2 Section 17 (5) (a) of Local Government Act 1988 states clearly that staff terms and conditions may not be evaluated or considered in the tender process. Essentially, this means that the Council could not include any award criteria in the tender regarding staff terms and conditions. The Council was also unable to include any specific requirements regarding staff terms and conditions in the contract or the service specification.
- 4.9.3 At contract commencement, it should be considered that there is usually no trade off between efficiencies and impact on terms and conditions because TUPE requires staff to transfer on the same terms and conditions. Rather; efficiencies are generated through economies of scale, procurement strategy and careful consideration of our requirements i.e. what services are suitable for output based specifications and giving bidders appropriate levels of freedom to innovate. I.e. not prescribing the number of vehicles and hence more freedom for route planning.
- 4.9.4 'Custom and Practice' of staff finishing earlier than their contracted hours is a historical inevitability of practices which have not been evolved since the Veolia contract was let in 2002. Changes in some custom and practice is an inevitable part of seeking working practice efficiencies and modernisation of collection services, for example the requirement for staff to use in-cab technology rather than paper based recording systems. However the lengthening of the working day has not been as a result of changes in staff resourcing levels but changes to the collection services required by the Council.

4.10 When the Council logs missed bins, where are they logged?

- 4.10.1 The majority of waste calls have historically been managed by an outsourced call centre provided by the waste collection contractor. However when a missed bin report is logged by a Customer Service Operative at NHDC they have been logged on the Councils Achieve Service customer relationship management (CRM) system, this auto-generates an email to Urbaser (and previously did to Veolia).
- 4.10.2 In recent weeks the Customer Service team at NHDC have been logging missed bins direct into Whitespace the waste management IT system to speed up the response times for missed bins. This is a temporary measure, long term Urbaser are required to fully manage call handling on behalf of the Council for waste, recycling and street cleansing.

4.11 What is being done to ensure that individuals' expectations are met in the future?

- 4.11.1 It is important that the Council is clear on whether resident expectations are reasonable in all instances. For example if Council policy regarding reporting timeframes or contamination in bins is not adhered to this can have financial implications for the Council.

- 4.11.2 The number of unjustified missed collections logged has significantly reduced in the Urbaser contract and this is as a direct consequence of having insufficient capacity to check all reports made.
- 4.11.3 The client team are proactively responding to complaints and are using the Performance Management Regime built into the contract to encourage improved performance from the contract.
- 4.11.4 The client team have had limited resource available to proactively monitor collection services but have been undertaking additional audit sampling on a random basis of certain aspects of the service to determine if improvements are being seen.
- 4.11.5 Information is being passed to the public via the press, our website and social media when this has been agreed. However where services are not showing signs of improvement we have not provided more updates.
- 4.11.6 The complaint handling timescales have been removed from the auto generated responses as we are unable to provide confidence to residents about when these will be responded to. Details of formal complaint numbers are provided in Appendix D.

4.12 What percentage of issues experienced was related to rectification?

- 4.12.1 The data held by the Council is unreliable in this respect. A rectification is raised at the request of a resident or a client officer. We are aware that in many cases multiple missed bins reports have been made for the same missed bin. There is no way to differentiate this in the IT system, without a manual check of each individual record. There is no resource to undertake this level of detailed work.
- 4.12.2 Where the client team are made aware of rectifications which are not completed there are mechanisms to manage this within the Performance Management Regime.

4.13 Should and how might the Council have been more hands on in managing the transition from Veolia to Urbaser?

- 4.13.1 A significant issue with this procurement was the time contractors were given to mobilise the contract. The longer the mobilisation period the more checks can be undertaken by both the contractor and the Council. In addition a longer mobilisation period would have ensured the fleet was ready for day 1.
- 4.13.2 The contractor was restricted in it's access to staff whilst not in their employment and the Council intervened to encourage better communication and access to staff by the outgoing contractor.

- 4.13.3 The Council receives a detailed method statement from the contractor regarding mobilisation which is assessed as part of the quality assessment. The Council would need to ensure that it does not assume the roles and responsibilities of the contractor during mobilisation as that could potentially absolve the contractor of liability and/or cause confusion. Therefore there is limited scope for the Council to be hands on particularly regarding the transfer of staff which is exclusively a matter between the outgoing contractor and the new contractor.
- 4.13.4 Given the restructure and resources in the client team there is little that the Council could have done to manage the transition. Councillors should be aware that we had a number of staff leave the client team during mobilisation which also impacted on the available resource to support Urbaser.
- 4.13.5 The transfer and management of staff is solely the responsibility of the contractor and not something that the client team would involve themselves with. Other than to understand how the management of the transition would be handled which was presented as part of the bid information.
- 4.13.6 Officers from the client team did attend the welcome meetings for staff to ensure there was an understanding of the training and the introduction being provided to staff.
- 4.13.7 All collection round data held in the existing Whitespace IT system was transferred as part of mobilisation of the contract and consequently the same round set up has been the basis of the new collection rounds for food and garden waste. The maintenance of this data was the responsibility of Veolia and subsequently is the responsibility of Urbaser.
- 4.13.8 As stated in 4.6.3 above the client also undertook independent checks of the data provided by Veolia to Urbaser to provide some assurance of the accuracy. Given the size of North and East Hertfordshire these data checks were samples only, focusing on areas of known risk.
- 4.14 There was a significant issue with communication to the public. Can the Council ensure that effective methods of communication using as wide a range of methods as possible are used to reach the maximum number of residents when future communications are required?**
- 4.14.1 Extensive resident communication took place prior to the roll out of the garden waste service, this is demonstrated by the number of residents participating in the scheme over and above the indicated numbers expected from the public consultation.

- 4.14.2 With regards communication since the contract has started, whenever the Communications team received information regarding missed streets, this was posted on to the website and linked to via social media with updates whenever we became aware that streets had been recollected. However, we are reliant on the information given to us and sometimes we were not consistently made aware of missed streets and / or where recollections had taken place. The communications team did however post statements and general advice to residents regarding missed collections on the website and on social media at every available opportunity.
- 4.14.3 Where collection service failures relate to individual properties or where information on areas which have not been completed has not been fully communicated between collection staff and the Urbaser management team we cannot be fully sure of services which do not complete and the client team rely on further checks the next working day with Urbaser Supervisors checking streets where data is not completed on in-cab systems.
- 4.14.4 Updates were provided to Members and parish Councils via MIS and will continue to be provided when new information is available.
- 4.14.5 The Waste Awareness Officer role has been removed from the client team structure with some of these responsibilities being covered by the Service Development and Support Officer roles. During mobilisation two of these posts were vacant, leading to communication pressures. The final vacancy in this job role was only filled on 3 September 2018.
- 4.14.6 The voluntary redundancy of the Service Development Manager as part of the client team restructure prior to contract start also impacted on the capacity of the team to provide timely and effective communication. However support has been provided and continues to be provided by the Communications team in this respect.
- 4.14.7 Officers will continue to respond to contacts they receive, however the volume of contacts currently being received is not manageable or sustainable with the vacancies in the team. Additional support has been drafted in from MSU and agency staff however the volume of contacts not being responded to within 10 working days remains high.

4.15 What steps can the Council take to mitigate the blocking of the Council's and Urbaser's switchboards in the immediate future and in the longer term?

4.15.1 In order to track the number of calls coming into Veolia and Urbaser the longstanding 0800 has been routed through the Councils corporate telephone system since mid 2017. as call traffic data was never provided or made available by Veolia. The intention was to redirect this number to Urbaser from the start of the new contract as all customer contact handling would be the responsibility of the contractor under the new contract. The transfer didn't take place immediately as Veolia had disconnected the local number that the 0800 number was due to redirect to, while the number was being reinstated with BT the NHDC customer Service team agreed to continue with the call handling temporarily.

4.15.2 The operational service issues that occurred led to an unprecedented increase in phone calls causing the phone system to become overloaded and intermittently failed to play announcements and queue calls correctly. This problem had not been encountered before so a number of remedial steps were taken which included;

- Increasing the capacity of the telephones IVR system to allow more calls to queue at any one time.
- Reducing the length of IVR messages played (which are used to signpost / direct callers appropriately) to free up some additional queuing capacity. This was monitored and tweaked on an ongoing basis as it was a dynamically changing situation and it was important to use the IVR to get key messages out to residents at key times.
- Contingency phone routing was also put in place to redistribute some calls to Urbaser staff.

As it became apparent that the call volumes were not decreasing the IVR capacity of the NHDC telephone system was increased at a cost of £2,970.00.

4.15.3 The continued increased call volume meant that residents continued to call NHDC as well as and / or instead of Urbaser. The Urbaser telephone number had an answerphone facility which was filling up very quickly and once full not allowing callers to leave messages or speak to anyone in person. This facility was unmanageable and was changed on 26 June 2018.

4.15.4 Urbaser introduced a new telephone system which had a call queuing facility, allowing callers to wait in a queue rather than divert to voicemail, whilst this resolved the voicemail issue it continued to cause frustration amongst callers who were held in a queue for long periods of time due to insufficient call handling staff at Urbaser. This in turn led to a continuing increase in calls the Council directly and resulted in all lines reaching capacity and intermittently being unavailable impacting on calls in and out and affecting other homeworking staff and other service users. The decision was taken to completely remove the 0800 from the Councils phone system, with the number going direct to Urbaser. This means we no longer have detailed call related data for this number. Residents have continued to call the Council directly but the volumes have significantly decreased.

- 4.15.5 The call answering staff at Urbaser have been increased from 3 to 6 with an additional operative dedicated to emails, the delay in this happening was due to the fact that Veolia left the office at the depot in a condition that required refurbishment which had to be completed before the infrastructure could be put in place to support additional call handling staff. In addition the NHDC Customer Service Team are also continuing to provide telephone and email support within the existing Customer Service Centre resources.
- 4.15.6 In addition the NHDC Customer Service also added additional temporary staff to help assist in the logging of contacts, in particular garden waste related contacts. This additional resource was in place for a four week period during May and June.
- 4.15.7 New online Whitespace linked web reporting forms are in development. They were not implemented prior to the start of the contract due to the reduced mobilisation timeframe. It is currently expected that these will be functioning from late September. The new forms will not require the manual inputting of online reports as a log will automatically be made in the Whitespace IT system. This will significantly reduce the administrative burden of managing contacts and will become the quickest and most efficient way of residents reporting collection problems.

4.16 Additional Information Regarding Contact Handling

- 4.16.1 A large proportion of contacts were identified relating to missed collections or other requests which had not been rectified or actioned. Further investigation by the client team identified that these has not been logged on the Whitespace waste management IT system by Urbaser. The largest proportion of these related to calls taken by the NH Customer Service Team or requests logged online. Both of these contact types were being logged on the Councils corporate CRM system which generated an automatic email report directly to Urbaser.
- 4.16.2 Initial investigations involved both the Council Customer Service Team confirming that the email reports were being generated and the Urbaser management team assuring that these emails were being actioned and logged, albeit the Urbaser management team confirmed that due to the volume the logging of the contacts would often take a few days which would also often result in a further repeat contact.

- 4.16.3 More in depth investigations have identified that the volume of emails sent to the 'northhertsenquiries' email address from NHDC email accounts amounted to just over 19,000 emails from the start of the contract until 9th August 2018. Approximately 8000 of these were encrypted which caused significant delay in getting these initial reports logged. The encryption requirement was removed on put in place to comply with Data Protection rules regarding the secure transmission of personal data. Due to the high volumes of traffic and impact on processing time a decision was taken to remove the automatic encryption on 12 July, on the basis that Urbasers IT team worked with the NHDC IT team to establish a secure end to end encrypted connection.
- 4.16.4 Approximately 10,300 of the 19,000 were reports of missed collections logged either by the Customer Service Team or residents online. A further 1400 missed collection emails related to those referred by NHDC officers. 130 related to food caddy deliveries. A significant proportion of these were duplicate reports of the same missed collection. There is no way to determine what this proportion is.
- 4.16.5 This volume of emails equates to a period of 70 working days requiring on average 270 emails to be processed each working day. The highest numbers being received on the 17th and 18th May with 820 and 860 emails respectively. These figures indicate a volume which is totally unachievable for processing with the resources available.
- 4.16.6 The backlog of email correspondence was not fully appreciated by either Urbaser management or the client team until the scale of the service failures had escalated to unmanageable proportions. This was in part due to additional missed bin collection resources revisiting streets on multiple occasions where reports of problems were not being logged sufficiently quickly onto the Whitespace system by Urbaser. Further detail on collection resources is provided in 4.4.8 above.
- 4.16.7 When collection issues occur on the scale experienced over recent months. It is not possible to provide sufficient resource to fully manage all contacts within expected timeframes. The volume of contacts generated from a service which provides at least two collections to every household every week is significant when service disruption occurs. Channel shift to more online reporting in the longer term will provide more resilience once the new web forms are capable of linking and sending information direct to the Whitespace IT waste management system.

4.17 Additional Information Regarding Historic and Current Service Standards

- 4.17.1 Collection services in East Herts are continuing to run smoothly. Predominantly because services in the East did not change and collection staff are therefore established in their working rounds. East Herts collection staff have also used in-cab systems as part of the previous Veolia contract and although they are now using a different system their knowledge and use of the system is therefore more advanced.
- 4.17.2 Collection services have been affected over the summer months by the unusually prolonged high temperatures and consequently tough working conditions.

- 4.17.3 The highest number of missed collections was recorded in the week beginning 21 May 2018 at 1579. In comparison in the two months preceding the service change on average 94 missed bins were recorded per week. There are known peaks in missed collections, initially as a consequence of data loading issues on the garden waste collection rounds and in July as a consequence of crew disruption.
- 4.17.4 We are aware that missed bin data is not wholly accurate for the reporting period and is likely under reported this is for a number of reason:-
- Some residents made multiple reports relating to the same bin
 - Some reports made via the Council CSC or web were not logged on the Whitespace waste management IT system
 - Some residents were unable to get through on the phone so did not report
 - Some residents were not bothered by an initial missed collection and did not report
 - Whole streets were initially not logged as such within the waste management IT system
- 4.17.5 The inaccuracy of the data means that the Council can not be confident that the missed bin statistics are an accurate reflection of the scale of the service problems experienced by residents during the first few months of the contract. Additional resources have been put in place by Urbaser to ensure that all emails and web reports are logged and the NHDC CSC is also supporting Urbaser by logging additional calls which come through to them.
- 4.17.6 During August Urbaser have endeavoured to log some of the backlog of contacts but it still felt that this will not fully reflect the true extent of disruption. Data from September onwards will be more reliable and the client team are reviewing missed bin contacts daily to identify if collection services are improving.
- 4.17.7 Data for the first week of September indicates that the district is still experiencing missed collections in significantly higher numbers than pre contract with over 870 reported of which 38 were missed streets.
- 4.17.8 Members are increasingly being contacted regarding missed collections. In particular recurring missed collections where residents are yet to see improvements in the services. The client team are investigating the causes of recurring missed collections and feeding information back to the Urbaser management team. It is however vital that residents continue to report each specific missed collection to the Urbaser helpdesk either by using the dedicated Freephone number, the dedicated email address or by using the online reporting forms, to ensure we continue to receive accurate reports of problems within the waste management IT system.

4.17.9 As part of the performance monitoring regime additional consideration is given to any property which has experienced 2 or more missed collections from the same service in a 3 month preceding period. These properties will be receiving additional monitoring from both the client team and the Urbaser management team to help prevent recurring problems and identify problematic collection crews or other patterns to the recurring missed collections. In August there were 975 hotspot properties.

4.17.10 Reasons for Non Collection Logged by Crews

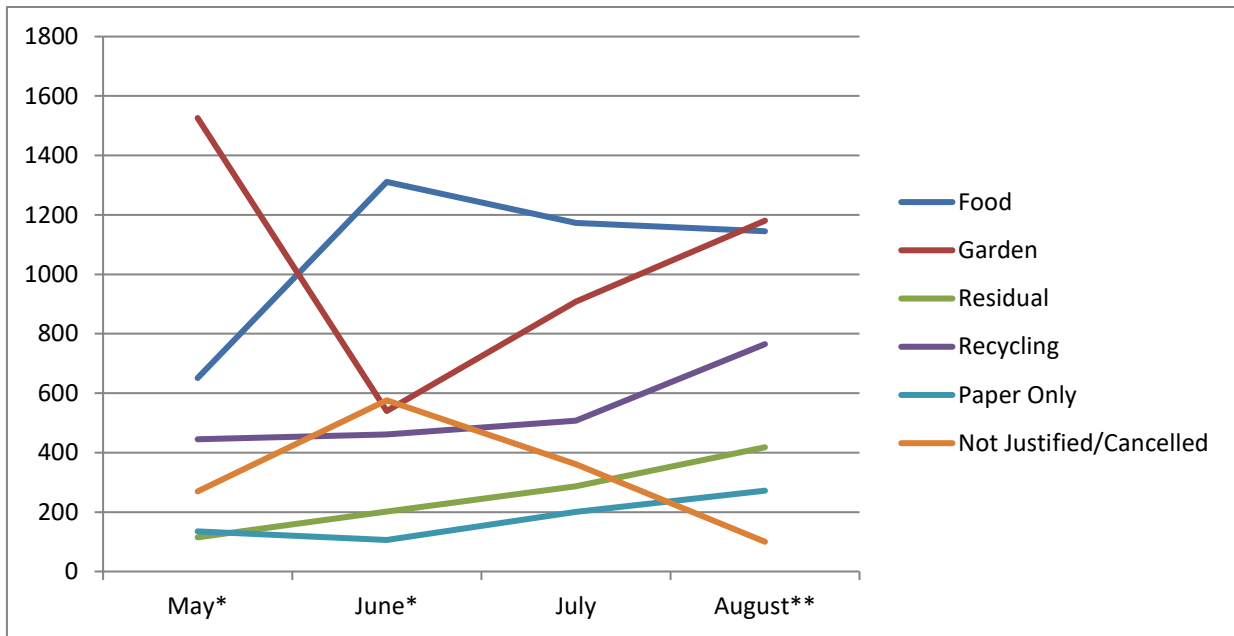
Missed collections logged as unjustified can be for a number of reasons. Some of these will have been reported by residents after the 48 hour reporting window. Others will be unjustified due to a log made by the collection crews regarding their collection via the in-cab system.

4.17.11 The table below shows in cab logged from the contract start to 29 August 2018.

Reported by Crew	Food	Garden	Recycling	Residual
Commercial Waste Presented as domestic	85	3	29	
Container Tipped into Vehicle	63	11	23	1
Contamination of container	130	28	1429	1
Damaged container-during after emptying	63	2		11
Damaged container-prior to emptying	69	4	1	5
Frozen/ Stuck in Container	63		1	
No access partial/full street	84	111	1009	113
Not presented for collection	17972	6634	5373	2661
Overweight Bin	63	33	47	26
Report of incident/confrontation/threats made	81	1	1	
Side Waste/Lid not closing	82		22	72
Totals	18755	6827	7935	2890

4.17.12 The proportions of collections represented in the above table are small in comparison to the number of collections performed on a weekly basis for each service however Members should note that the higher number of 'Not presented' food waste bins is likely to be representative of residents choosing not to participate in the collection service. As the use of in-cab develops over the coming months the client will be able to more accurately assess participation and target areas of low participation.

4.17.13 Graph to show Missed Collection Trends by Service Type



* Not adjusted for missed streets

** Not fully reconciled

4.17.14 From the 9 July 2018 IT systems were changed to enable us to track whole streets of missed collections separately. Prior to this logs were only made of individual reports a review of the individual records prior to this indicates that approximately 460 missed streets were reported prior them being logged separately.

4.17.15 An additional 3 Supervisors have been employed on the contract since early August to support the monitoring of collection services and attempt to monitor the properties experiencing repeated collection problems known as 'hotspots'.

4.17.16 In addition agency staff have been employed to support call and email handling and approximately 17 agency staff are currently employed each day on collection rounds.

4.17.17 Willing collection staff are undertaking overtime each day to catch up missed collections.

4.17.18 Additional Missed Bin Crews have been going out each day to catch up missed collections.

4.17.19 Overtime has been offered to staff willing to work on Saturdays and the table in 4.4.8 summaries the additional resource provided on Saturdays.

4.18 Additional Information regarding Contractual Mechanisms

4.18.1 Details of the Performance Management Regime (PMR) are provided in Appendix C. A review of the PMR will be undertaken by the Service Manager in line with the contract to ensure that it fit for purpose and functions as it was intended.

4.18.2 Additional provision is made within the contract terms and conditions outlining the mechanisms available to the Council to require a remediation plan for poor performance amounting to a persistent breach. The Council may also consider the ability to 'step in' and undertake the provision of services until such a time as the Council can be satisfied that the performance of the contractor can be in accordance with the contract.

5. NEXT STEPS

5.1 The Performance Management Regime was enacted on 1st August following a bedding in period for the contract. A bedding in period is usual practice for a contract of this type as a transition of wholesale services from one provider to another including a service change is complex. The client team are currently reviewing the service data for August and the Executive Member will be provided with this detail once the August calculations are completed and level of service failures agreed with Urbaser.

5.2 The PMR will then be reviewed by the Service Manager in line with the terms of the contract in consultation with legal services, the Director for Place and the Executive Member for Waste Management, Recycling and Environment.

5.3 The contract is under close review in liaison with Legal Services within the context of the whole contract. It should be noted by Members of Overview and Scrutiny that collection services in East Herts are operating to a satisfactory standard. Street cleansing operations in East and North Herts are operating to a satisfactory standard. Clinical waste collection services are operating to a satisfactory standard in East and North Herts.

5.4 Maternity cover for the Service Manager has been recruited early to enable a sufficient handover period whilst the contract is still experiencing service failures at levels which are not acceptable. The Interim Service Manager will also wholly undertake responsibility for the roll out of the route optimisation project for East Hertfordshire in November 2018 and North Hertfordshire in May 2019.

5.5 In addition additional temporary support has been recruited until mid October to assist in the management of complaints.

5.6 The Contract Officers posts which the service has been unable to recruit to will have the job descriptions reviewed and a career graded post is proposed, to aid recruitment of less experienced staff members, who can be trained in the service requirements.

6. **APPENDICES**

Appendix A - Questions answered at Overview and Scrutiny – June 2018

Appendix B - Call Handling Statistics

Appendix C - Performance Management Regime.

Appendix D – Formal Complaints numbers – Waste Management

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8. **BACKGROUND PAPERS**

None