

REPORT CONSIDERED BY CABINET ON 20 NOVEMBER 2018

TITLE OF REPORT: WASTE COLLECTION SERVICE IN NORTH HERTFORDSHIRE

REPORT OF THE SERVICE DIRECTOR - PLACE

EXECUTIVE MEMBER: CLLR MICHAEL WEEKS

COUNCIL PRIORITY: RESPONSIVE AND EFFICIENT

1. EXECUTIVE SUMMARY

- 1.1 Due to service disruption for the collection of waste in North Herts since May 18, consider and agree initiatives that recognise the inconvenience caused to our residents.

2. RECOMMENDATIONS TO FULL COUNCIL

- 2.1 In recognition of the service received since the start of the new waste contract, which has not been of the standard we expect, the Council agrees an extension of the current 12 month payment period for green waste collection, for a further period of 3 months. The loss of income based on current (52%) uptake is approximately £290k.
- 2.2 In addition, to provide a free roll of compostable liners for the kitchen food waste caddies. The estimated cost of the liners is circa £30k.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To acknowledge service disruption in our waste collection service and demonstrate to residents that the Council is taking the issue and the inconvenience caused extremely seriously. Predominantly, garden waste collection and food waste collection have been disrupted.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Officers have considered reimbursing only the residents that have been adversely affected by the disruption. This option was discounted as we could only consider offering payments to garden waste customers and the administrative costs of determining who had been affected would not be economic or practical. There is no legal basis to reduce Council Tax due to the disruption to statutory services.
- 4.2 The Council has looked at whether it could make the contractor fund the extension and compostable bags. The Performance Management Regime (PMR) system sets out the contractor's targets for performance and associated performance deductions. Outside of the PMR, the contractor has no other contractual obligations to make further payments for missing performance targets. Any amount received from performance deductions can be earmarked as funding towards the proposed measures outlined in 2.1 and 2.2.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 Consultation was undertaken with our Executive Member and there has been a strong groundswell of opinion from Councillors to provide some benefits to our residents in recognition of the poor performance of the waste collection contract over the last six months.

6. FORWARD PLAN

- 6.1 This report has not been referred to in the Forward Plan.

7. BACKGROUND

- 7.1 The joint waste collection service with East Herts Council (EHC) commenced on the 8th May 2018, providing collections to over 120,000 households and collecting many waste streams (residual, dry recyclates, paper, green waste and food waste in NHDC); over the last 6 months our contractor has collected and emptied over 6,000,000 bins/caddies/boxes. In EHC there has been very little service disruption whilst in the North for some residents their service has been severely affected. The number of missed bins reported daily has reduced from approximately 200 in August 18 to less than 60 in November 18. Although this is still too high, many of the hot spots (regular and persistent failures) have significantly reduced.
- 7.2 The new service has had a number of issues to resolve, some of which have been more time consuming and difficult to resolve.
- 7.3 Minute 31 of Council on the 18th July 18 states:-

(D) Garden Waste

Due notice having been given in accordance with Standing Order 4.8.12, it was moved by Councillor Lisa Nash and seconded by Councillor Ruth Brown that:

“Council notes that those residents who have paid for the garden waste collection service did not initially receive the service for which they paid and believes that they should be offered the option of a refund or an extension of the service period at no additional cost to reflect this.”

It was moved and seconded that the motion be amended to read:

“Council notes that those residents who have paid for the garden waste collection service did not initially receive the service for which they paid. Council commits to consideration of appropriate redress to reflect this.”

Following comprehensive debate and upon being put to the vote, the amendment was carried.

Upon being put to the vote it was:

RESOLVED:

That Council notes that those residents who have paid for the garden waste collection service did not initially receive the service for which they paid.

That Council commits to consideration of appropriate redress to reflect this.”

8. RELEVANT CONSIDERATIONS

- 8.1 An extension to the existing 12 month paid garden waste service can be provided with minimum overheads/administrative cost to over 50% of our residents. The loss of income is just under £90k per month of extension of the current 12 month subscription. There are currently approximately 26k residents in North Herts that subscribe to our garden waste collection service.
- 8.2 Food waste is collected weekly from the majority of our residents and some residents purchase their own compostable liners for their indoor caddies. In recognition that the waste collection issues have not just affected the paid for brown bin service, it is proposed to provide a roll of 50 compostable caddie liners for each household.

9. LEGAL IMPLICATIONS

- 9.1 Cabinet has the function under section 5.6.38 of the Constitution to make recommendations to Full Council on the annual budget, including the capital and revenue budgets.
- 9.2 Full Council has the function of approving or adopting the budget as set out in section 4.4 (b) of the Council's Constitution. Given the budgetary implications of the recommendations in this report, Full Council is authorised to approve the additional budget.
- 9.3 The Performance Monitoring Regime in the Contract sets out the contractual performance standards and the associated performance deductions. The Council has no legal basis to require additional funding from the contractor to cover the difference between the cost of the extension and the value of the performance deductions.

10. FINANCIAL IMPLICATIONS

- 10.1 As detailed above the total cost of extending the 12 month paid garden waste service by three months would be around £290k. The cost of the extension would be incurred in 2019/20 and if approved will be incorporated into the budget. The potential reversal of the funding reduction of over £1m in 2019/20 (in relation to negative Revenue Support Grant) would be used to fund this. If that reversal did not happen then it would

have to be funded through a planned use of General Fund reserves. As a one-off cost, this is affordable in the context of current General Fund balances.

- 10.2 The original intention was that the income from the green waste charge would be accounted for in the year that it was received, even though it would span May to May rather than April to April. Extending the 12 month period by a further 3 months will mean that the income in 2018/19 will now need to be adjusted so that it is for the period from May to the end of March. This will reduce the forecast income in 2018/19 by around £85k.
- 10.3 The compostable liners would be a cost when they are purchased and delivered to households. The cost of these could be met from the Alternative Financial Model (AFM) Waste reserve.

11. RISK IMPLICATIONS

- 11.1 There is a reputational risk to the authority if we do not offer any initiatives which demonstrate that we are taking the service disruption issue and the inconvenience caused to residents extremely seriously. This could have an adverse effect on our residents' perception of the waste collection service and Council services in general. For the vast majority of our residents, there has been understanding and support for our waste collection service and we rely on them to participate in recycling to ensure we maintain our high levels of performance

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 There are no equalities implications.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 The Social Value Act and "go local" policy do not apply to this report.

14. HUMAN RESOURCE IMPLICATIONS

- 14.1 The disruption in service over the last six months has had a significant impact on our contractors as well as the Council staff. There is still a high reliance on agency staff within the North Herts Urbaser crews and this is one of the main reasons for service disruption due to loss of knowledge of the rounds.

- 14.2 At the contractors cost, they have almost doubled the amount of customer contact and supervisory staff to help alleviate service disruption.
- 14.3 The joint Waste Services client team vacancies are largely now filled with one remaining post for a contracts officer to be recruited to. There is also one temporary additional manager in the team.

15. APPENDICES

- 15.1 There are no appendices.

16. CONTACT OFFICERS

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17. BACKGROUND PAPERS

Minute 31 D of Council on the 18th July 2018