

Date	-	30 November 2018
Report of the	-	Lead Director, Dr Anthony Leonard
Subject	-	Service Performance Update

Recommendation: It be **RESOLVED:** That the performance and progress made since the last meeting be noted.

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Introduction

1. This report provides an update on performance across the Joint Waste Contract. It provides commentary on the total workflow through the Contract, recycling levels, missed bin performance and street cleanliness and considers the current risks to waste services.
2. The previous Joint Waste Committee (JWC) considered the various issues Kier reported as having a negative impact on their ability to deliver the level of performance required (particularly on collection services), Minute JWC18/05 refers. Performance has subsequently improved, however, both Kier and the Councils need to maintain their management efforts to sustain and continue with the improvement achieved to date.

General Workflow and Performance across the Contract

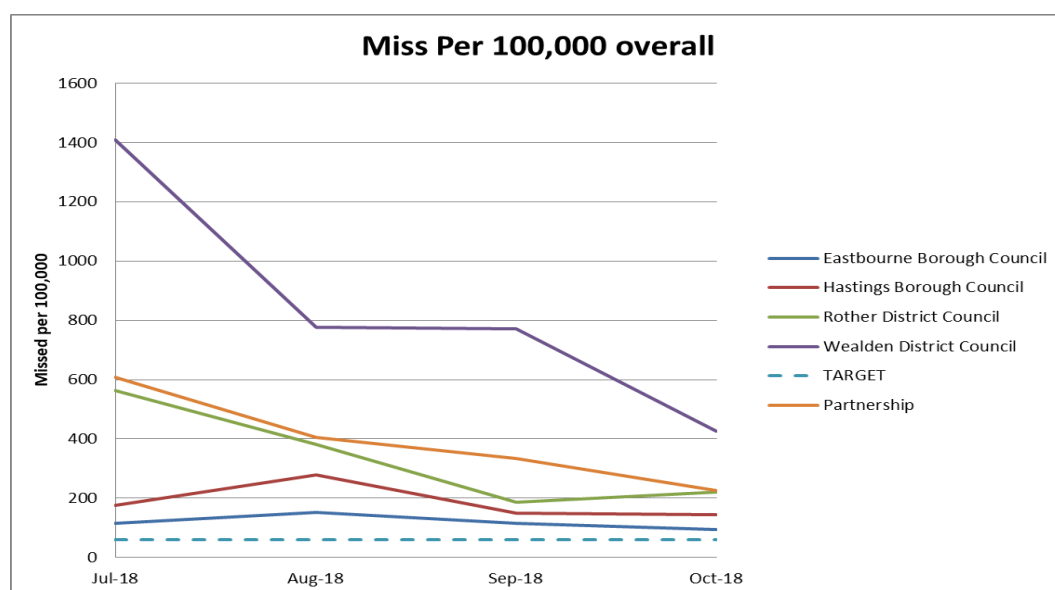
3. Kiers' ability to resource and manage scheduled collections and street cleaning work each day has improved since the JWC last considered performance in July 2018. During this period a specialist sub-contractor has been commissioned by Kier to undertake mechanical street cleaning work and another waste contractor was commissioned by Wealden District Council to undertake one collection round on two separate occasions in September.
4. Table 1 overleaf displays the total workflow through the Contract. A familiar pattern of work performance continues with the highest volumes created by reports of missed collections and requests for containers.

Table 1: Total Workflow (July to October 2018)

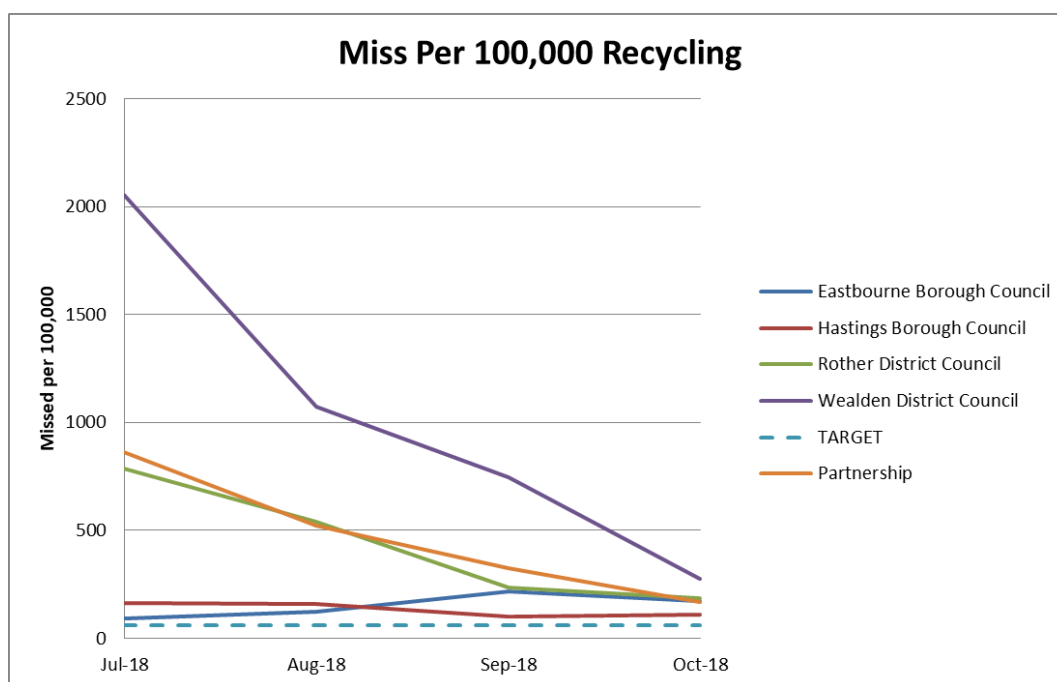
Sum of Unique	Column Labels				
Row Labels	Eastbourne Borough Council	Hastings Borough Council	Wealden District Council	Rother District Council	Grand Total
July/2018	2411	3396	11572	3732	21111
Cancelled	682	205	379	283	1549
Completed	859	2322	1264	1390	5835
Completed Late	740	382	8768	1276	11166
Open	130	487	1161	783	2561
August/2018	1936	2508	5480	3372	13296
Cancelled	556	192	456	334	1538
Completed	583	1483	1933	847	4846
Completed Late	574	578	2369	1667	5188
Open	223	255	722	524	1724
September/2018	859	1056	3252	2128	7295
Cancelled	255	87	203	215	760
Completed	216	726	1120	522	2584
Completed Late	298	113	1595	661	2667
Open	90	130	334	730	1284
October/2018	1851	2169	4245	2297	10562
Cancelled	511	207	390	267	1375
Completed	645	1484	1623	1117	4869
Completed Late	432	191	1689	343	2655
Open	263	287	543	570	1663
Grand Total	7057	9129	24549	11529	52264

- Average performance across the Partnership for collection services in July 2018 was approximately 608 misses per 100,000 collections due, reducing to 226 misses per 100,000 collections by end October 2018.
- Annual analysis indicates that collection performance improves between September and Christmas each year but subsequently falls from mid-January.
- Graphs 1, 2 and 3 below display missed collections for the primary collection services during the July to October period.

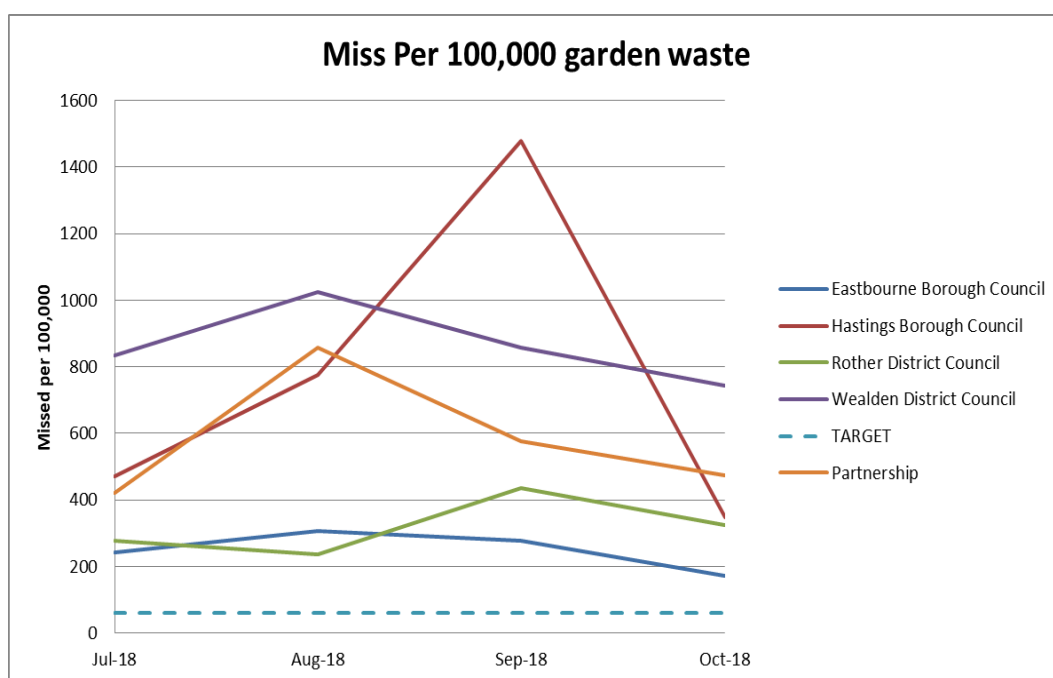
Graph 1: Missed Residual Waste: per 100,000 collections



Graph 2: Missed Dry Recycling: per 100,000 collections



Graph 3: Missed Garden Waste: per 100,000 collections



Wealden Area Collections Performance

8. Performance in the Wealden area was highlighted as a particular issue from May 2018 with missed collections and consequently defaults at unacceptable levels until September.
9. By the end of October, daily performance in the Wealden area has improved as Kier has introduced new incentives and approaches to recruit and retain staff as well as commissioning use of some external vehicle resources. Wealden officers appreciate and recognise the endeavours Kier are making to enable services to be delivered consistently through to the end of the Contract.

Container Analysis

10. The provision of new and replacement bins and boxes (containers) for customers to use the collection services has been an ongoing point of dispute and discussion with Kier since 2013/14. The Mutual Exit Agreement sought to share the burden of liability for containers and since then the Partnership has made a fixed financial contribution of £50,000 per annum toward the total cost of meeting customer demand for containers. With over 17,000 container deliveries (worksheets) each year at a bill rate of £19.38 for a standard wheeled bin, this significant level of demand and associated cost requires effective management.
11. The position at the end of October across the Partnership was that 2,938 container delivery worksheets were overdue on Kierway. The breakdown across the partnership is 236 in Eastbourne, 737 in Hastings, 839 in Rother and 1,126 in Wealden. The categories with the largest number of overdue worksheets are 240ltr garden waste bins, recycling boxes and seagull proof sacks (Hastings only).
12. Officers are taking action to resolve issues with regard to the supply and demand for garden waste bins in Hastings, Rother and Wealden.
13. The Partnership Manager is discussing the supply of recycling boxes with Kier. While Kier benefit financially from the separate collection of glass, it is known that glass is being mixed into other dry recycling material during collection by either residents who are served by single body collection vehicles or Kier crews themselves. It is noted that despite apparently high demand for recycling boxes, only 0.5% of households are affected and from July 2019 residents will not need to use a box.
14. The agreed delivery timescale for container deliveries is 14 days, once this timescale is exceeded Kierway marks the worksheet as overdue. In Eastbourne and Hastings there are container delivery worksheets outstanding from August, Rother from May and Wealden from February. There are two reasons that worksheets remain open in Kierway, either the work has been carried out but the administrative process has not been completed to close the worksheet in Kierway, or the container has not been delivered. The recovery of this situation is regularly discussed at the monthly meetings with Kier to either address the need for Kierway administrative processes to be completed or to discuss the container stock and delivery programme.

Street Cleaning and NI195 surveys

15. The NI195 surveys have regularly resulted in dispute throughout the contract but resolution has often been achieved to the dissatisfaction of one or more parties. Kier have previously reported several factors that have a negative impact on street cleaning but are out of Kier's control. Work continues to tackle the root causes of litter in known hot spots and Kier are diligently focussing on small incidents of fly-tipping which consequently create litter as material becomes scattered.
16. This has proved to be a challenging situation resulting in the need for the dispute resolution clauses of the Contract to be implemented at the conclusion of each tranche (i.e. every 4 months). Significant client

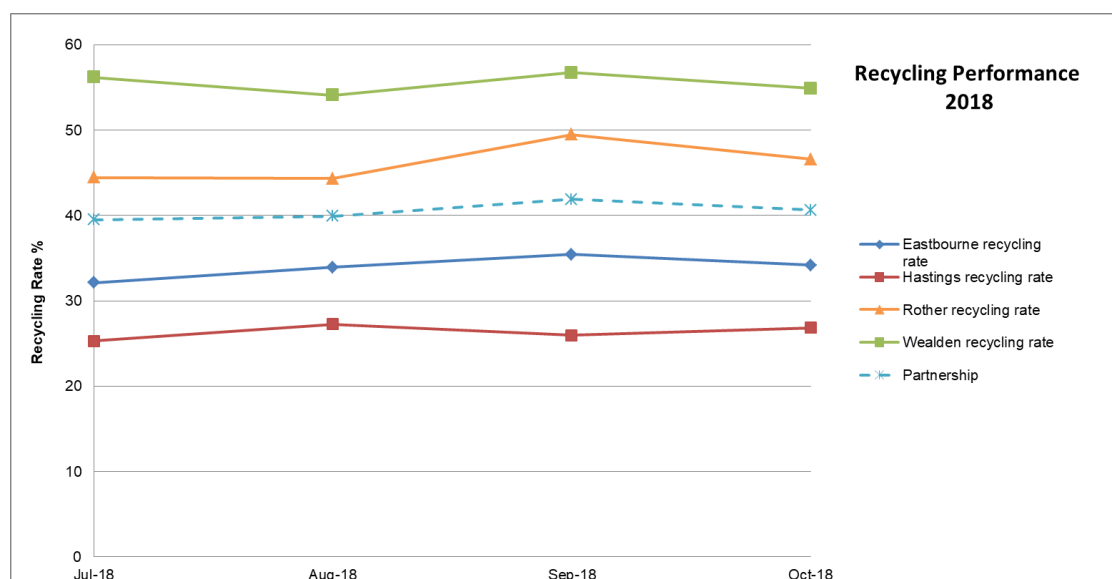
management time has been spent on reviewing the surveys and holding discussions with Kier to try and reach a resolution.

17. For the remaining period of the Contract and with reference to the duties of the Authorised Officer in regard to the dispute resolution clauses in the Conditions of Contract, a mutually agreeable solution has been found to mitigate/minimise further disputes.

Recycling Performance

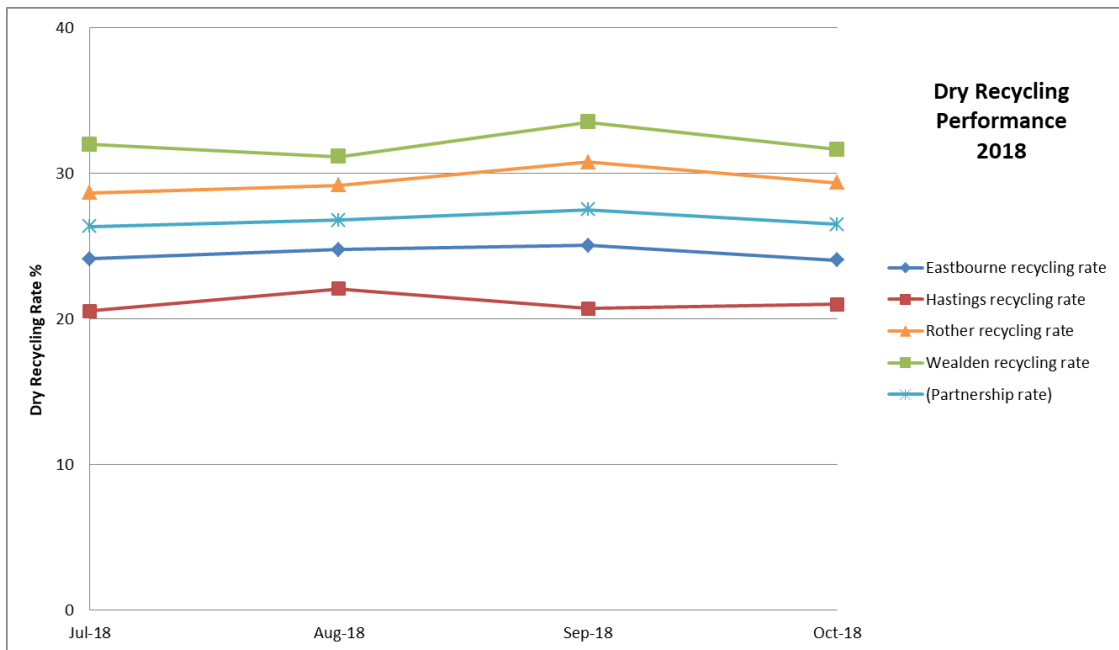
18. Graph 1 below displays the monthly total recycling rates for each authority for the Summer-Autumn 2018 period. The total recycling rate is expressed as a percentage of total waste (including garden waste). This data is the latest available from the kerbside collection service so remains subject to adjustment following final verification of total household waste and recycling by East Sussex County Council (ESCC).
19. The data used makes allowance for the 5.8% contamination found in dry recycling during this reporting period. This contamination is residual waste rather than glass which is occasionally collected mixed into other dry recycling.

Graph 1: Total Recycling Rates



20. Graph 2 overleaf displays the monthly dry recycling rates for each Council for the Summer-Autumn 2018 period. This dry recycling rate is expressed as a percentage of total waste less garden waste, so that the seasonal impact of garden waste is excluded.

Graph 2: Dry Recycling Rate



Local Council Performance

Eastbourne Borough Council

21. A verbal statement will be provided by an Eastbourne officer at the committee meeting.

Hastings Borough Council

22. Service standards in Hastings have improved over the last few months, with the number of missed collections levelling out, and the demand for street cleaning reducing as we head into the winter season. Officers are continuing to work alongside Kier supervisors to address causes of litter and fly-tipping, which have seen positive effects. Of particular note is the commendable level of engagement with the local manager for Rother and Hastings and the support that has been provided by Kier during the local town events and community clearances.

Rother District Council (RDC)

23. The appointment of a new permanent Operations Manager for Rother waste collections and street cleaning, who took up her post in June 2018, has overseen a more reliable and consistent approach to the management of service delivery for Rother. The pace of decision making, response to queries and general communications between Kier and RDC contract officers has significantly improved and is closer to meeting RDC expectations. We look forward to this management level continuing to the end of the Contract.
24. Waste collection performance levels have markedly improved, with afternoon collection rounds supporting the recovery of missed bins, meaning that most collections that have fallen behind schedule are being caught up by the next day. In addition this improved level of performance has been sustained over a number of months so Rother is now experiencing the benefit of a more

consistent level of service through a reduction in the level of customer enquiries and complaints.

25. The last two months have seen a focus on reducing the number of repeated missed collections. Kier and Rother have jointly instigated an 'escalated' missed bins data sheet which highlights 11 properties which have suffered significant poor service over an extended length of time. Kier is required to check each one and report back daily to confirm the bins have been collected. To date this has been 100% successful.
26. An issue that has proved challenging during the last few months has been the lack of stock of waste containers, which has created a backlog of customers waiting for new and replacement bins. Following the garden waste renewal process in July, bins that customers no longer required have been collected and reissued to existing customers. Kier has taken delivery of a small quantity of containers in recent weeks and are working to reduce the backlog as quickly as possible.
27. Access issues due to inconsiderate legally/illegally parked cars blocking access to certain roads continues to adversely impact the collection of waste along certain roads. RDC continues to work with Kier, the residents living along these roads and the Police to find ways to address these issues.
28. Much work has been completed jointly between Rother officers and Kier in highlighting to residents the need to improve the road surfaces of private/unadopted roads and cut back hedges and trees where they may cause a hazard to waste collection vehicles. On the whole, residents responses have been positive and remedial maintenance work has been completed to various roads.
29. The emptying of bring sites continues to be irregular resulting in overflowing containers. Kier has abandoned plans to move the service to their commercial department to manage and are investigating alternative options to improve the servicing of these sites.
30. Fly tips have increased significantly in recent weeks, from a monthly average of 30 to 54 alone in October 2018. This may be due to the recent introduction of charges at Household Waste Recycling Sites (HWRS) or a recent more proactive effort by Kier staff to identify fly tips. Rother will continue to monitor the number and locations of fly tips, collect evidence where possible to support enforcement, and relay concerns to ESCC who are monitoring the impact of changes to HWRS.

Wealden District Council

31. Missed bins increased significantly during July, August and September and were at worryingly high levels. Rounds were regularly not operating and/or working a day or more behind schedule resulting in over 3,000 missed collections per day, attracting local and regional media enquiries as well as high levels of demand from customers. During this time it was necessary for the Council to exercise the 'Step in' clause of the contract on two occasions to help address the backlog of missed collections and enable Kier to deploy their resources to best effect. Discussions have been ongoing with Kier over the summer about how to address the underlying problems and implementation of measures to recruit and retain staff, drivers in particular, have seen

improvements since early October. Full deployment of the collection rounds has become more reliable and we have seen a corresponding and so far sustained reduction in missed bins to more acceptable levels. We will continue, in discussion with Kier, to monitor the position and will agree further steps, if required, to maintain performance through to the end of the contract.

32. Collections from recycling bring sites have improved following the re-introduction of a dedicated collection round. The backlog of container deliveries remains significant and waiting times for bins still exceed four weeks. The recent introduction of an extra delivery vehicle is welcome and has had a positive impact to date – it will be important to maintain this resource until the backlog is dealt with. The recent sale of Kier's commercial waste service has been beneficial in freeing up resources both for container deliveries and drivers. Replacement container stocks for communal facilities are required urgently following a delay due to a change in Kier's procurement processes. Vacant supervisor posts at the Amberstone depot are also a cause for concern due to the limited capacity for the remaining staff to manage workloads.
33. With regard to street cleaning, Kier's outsourcing to an external contractor for two mechanical sweepers has been beneficial and seen improved vehicle reliability with a welcome reduction in levels of detritus. Effective and efficient deployment of other street cleaning resources remains under review in an effort to improve performance and standards. Council officers are continuing to work with Kier supervisors to help schedule the work more effectively.
34. Performance for fly-tip clearance, bulky and clinical waste collections remain consistently good.

Kier Position

35. Kier's position on key matters arising within the Contract is provided in a separate agenda item (Kier presentation).

Joint Waste Risks and Actions

36. The Joint Waste Partnership Risk Register is maintained as a current document by the Partnership Manager and is available upon request.
37. There are currently four high risk scores which are:
 - a) Management of performance – this risk focuses on the personnel, plans and systems being used to manage performance. The risk was escalated due to the significant number of missed collections and consequently the number of defaults issued in Wealden from July to September. Initiatives have been put forward to improve the Wealden situation and officers anticipate that this risk will be reduced when a consistent level of performance has been maintained for at least three months (October to December). It is noted that services performance is stable in Eastbourne, Hastings and Rother.
 - b) Kier Contract Manager role – the turnover of personnel in this role has not been advantageous. The current Contract Manager has been in post for four months, and dependent on the stability of this role, this risk may be decreased in future

- c) Street cleaning performance – this risk is being maintained as high due to the NI195 survey outcomes.
 - d) Extensive use of agency staff – this risk is maintained due to continued reliance on agency staff and because HGV driver availability continues to be a key issue. As advised, Kier have plans in place to improve recruitment and retention for key roles.
38. At the JWC in July, five high risk scores were reported. The risk that has been reduced focuses on actual collection performance in each area. The risk has been reduced due to the improved daily collections performance in Wealden during October and up to the date of writing this report.
39. Three new risks have been added to the Risk Register, as a consequence of the potential for a no-deal BREXIT. The Government has requested that Local Resilience Fora consider local service risks and Partnership officers have determined that the key BREXIT related risks are:
- the supply of fuel;
 - the recycling export market; and
 - impact on workforce due to loss of non-British EU nationals.
- These risks are being regularly reviewed as information emerges from Government.
40. As reported to the JWC in April, further changes in Kier's management personnel might be expected to incur short-medium term service disruption. This position still stands as further changes are occurring in the local contract management roles. The Partnership continues to use the performance management provisions in the Contract and support Kier management endeavours to achieve consistently acceptable levels of performance on both collections and cleaning work.

Dr Anthony Leonard
Lead Director

Risk Assessment Statement

Service performance incurs reputation risks for Kier and the Councils. Performance has a direct impact on customer service capacity as well as Kier administrative and management capacity.

A number of legal and operational risks are being actively managed.