

Joint Waste and Recycling Committee

Date - 3 July 2020
Report of the - Lead Director, Dr Anthony Leonard
Subject - COVID-19 Update

Recommendation: It be **RESOLVED:** That the report be noted.

Report Author: Madeleine Gorman, Waste Partnership Manager

1. This report is provided for the Joint Waste and Recycling Committee as an update on how the Coronavirus pandemic situation has impacted waste services and the Joint Waste Contract (JWC) during the period March to June 2020.
2. The pandemic is obviously an unprecedented situation for all concerned and consideration is still being given to the financial and contractual liabilities that have arisen while all of the organisations involved with waste management in East Sussex have sought to support the UK Government aims for management of the crisis (save lives, protect jobs, support the NHS).

Managing the Crisis and Essential Worker Status

3. Those responsible for the management of waste across East Sussex (the Waste Collection Authorities, the Waste Disposal Authority, their Direct Services Organisations and Contractors) collaborated with regard to the impact of the pandemic on the range of public waste services that could be provided. Managers representing each organisation participated in weekly conferences to ensure the dependencies between collections and disposal responsibilities and resources were actively managed.
4. All of the people working in waste (operational, administrative and management roles) are considered essential workers with regard to government guidance concerning Coronavirus (COVID-19). As such, the Sussex Resilience Forum have supported the need for Biffa staff to be tested and the councils have supported Biffa with other aspects of the pandemic lockdown, such as confirmation of essential worker status for school attendance and similar.
5. The Biffa corporate management team hosted a series of conference calls with participants from each of their UK contracts so that their company responses to the COVID-19 pandemic were communicated effectively.
6. Each council partner managed its own senior / corporate management team in response to COVID-19 pandemic developments and received information from the above groups to enable ongoing awareness of waste management developments.

Business Continuity

7. Provision is made in the JWC for situations that are outside the parties' control and would have a negative impact on the Specified Services and/or other key requirements of the Contract. The provisions are not explicit because the scope and nature of such situations are unknown.
8. The COVID-19 Business Continuity Plan (BCP) for the JWC was developed in response to the information available as the COVID-19 pandemic developed early 2020. Version 1 of the COVID-19 BCP is provided for reference as Appendix 2.
9. Fortunately the 30%+ level of workplace absence that was forecast by Public Health England (PHE) early March 2020 was not reached so the impact on the Contract was not as severe as initially forecast.
10. Nevertheless, Biffa staff absence exceeded 20% at each depot each day 23-27 March and therefore triggered the first level of service suspensions as per the BCP. From Monday 30 March, Biffa deployed the resources available to them each day to maintain as many services as possible on at least a "skeleton" basis. In practice, the BCP was not implemented entirely because significantly different numbers of staff are required to fully deploy each service. In effect, the suspension of garden waste and bulky waste collection services released the staff resources that allowed other activities such as litter bin and dog bin emptying to be sustained.
11. Biffa and the councils are in the process of reconsidering the BCP in terms of service priorities and expectations. This will enable a more commonly understood approach regarding the services to be suspended in response to a second wave or escalation of the COVID-19 pandemic.

Service Performance

12. 182 members of staff in a variety of job roles (drivers, loaders and streets operatives) are the minimum required each day to deploy all services across the three council areas. Due to the qualifications and expertise required for different roles, there is limited flexibility in terms of the people available to deploy each day. Despite staff absence leading to implementation of the COVID-19 BCP, Biffa sustained acceptable levels of performance across all services (except for two collection cycles of garden waste).
13. A comprehensive service performance record has been maintained for the pandemic period to date and is provided for reference as Appendix 1. Members are advised that the data is presented in a format which supports management purposes rather than Member assessment of overall service performance. However, the trends displayed by the graphical images do align with improving or declining service performance.
14. Members are advised:
 - a) Container Deliveries: Although container deliveries were agreed for service suspension in the BCP, the ordering mechanisms were not suspended when stage 1 of that plan was implemented.

- b) Garden Waste Subscriptions: Although garden waste collections were agreed for service suspension in the BCP, subscription renewals were not suspended when stage 1 of that plan was implemented. This is also the major reason for the high volume of container delivery orders in a short period of time which coincided with the pandemic (and consequently the BCP).
 - c) Missed Bins: Performance was generally maintained at pre-COVID-19 levels until mid-May. Performance has improved through June and is anticipated to continue through the early summer period.
 - d) Street Cleansing: Good performance has been maintained on street cleansing. The NI195 monitoring has been delayed but is on track for completion.
 - e) Fly Tipping: A gradual but significant increase in the number of fly-tips has been recorded since the beginning of May. This trend is being investigated and is also being considered by the county-wide Waste Strategy and Resource Group so comparisons can be made with neighbouring councils.
 - f) Litter and Dog Bins: Good standards of performance were maintained.
 - g) Complaints: Unusually, almost no complaints were received during an intense period of pandemic lockdown (Easter-mid-April) and the number of complaints seems to have increased in line with public expectations of the services returning to "normal".
 - h) Bulky Waste: Although bulky waste collections were agreed for service suspension in the BCP, Biffa fulfilled all existing bookings before re-deploying available bulky waste resources to other service areas.
 - i) Daily Service Deployment: Biffa has prioritised daily service completion and supported overtime and weekend working to enable services to be delivered to residents.
15. Measurement of the performance indicators (as described in the Performance Management Framework) has continued during the pandemic period. However, financial deductions for service performance have been suspended until 1 July under the relief provisions – see Financial Implications below.
16. Members are advised that Biffa has sustained similar, and in many cases a more extensive, range of waste and street services in comparison with other local authorities. Biffa corporate management acted swiftly to control the impact on their business operations and has worked closely with Government departments and industry bodies to develop their company response to the pandemic as "best industry practice." Biffa has clearly stated their priority is to protect their staff and customers. The long-term operational and financial consequences of the pandemic are unknown but there is no indication that Biffa Municipal Ltd imminently faces significant financial stress as a consequence of the pandemic. It is also noted that the JWC protects the councils from the most direct cost liabilities that have arisen to date (e.g. agency cover for absence, risk of unrecoverable furlough costs, provision of new Coronavirus related personal protection equipment (PPE) and hygiene procedures etc.)

Financial Implications

17. This report considers the financial implications of the COVID-19 crisis which are directly associated with the JWC. Each council also holds responsibility for other waste related expenditure and income (e.g. purchase of litter and

dog bins, garden waste subscription income, etc.). No commentary is offered in this report with regard to other financial considerations which may also have been affected during management of the pandemic to date.

18. The JWC terms enable Biffa to claim “relief” in the event of situation such as the COVID-19 pandemic (i.e. they be excused for under-performance or breach of obligations). Furthermore, on 20 March, the Cabinet Office issued Procurement Policy Note (PPN) 02/20 which sets out information and guidance for public bodies on payment of their suppliers/contractors to ensure service continuity during and after the coronavirus, COVID-19, outbreak. Biffa made a formal request on 30 March for the full extent of the relief provisions described in PPN 02/20 to be applied and the Authorised Officer has agreed to and actioned some aspects of that request.
19. However, the principle that the councils would continue to pay Biffa all of the core financial elements when services were suspended and therefore not received by residents was only acceptable in the short term. The application of the relief mechanism was therefore agreed from April to June and comprehensive daily records of resources deployed and services delivered were maintained throughout this same period.
20. Biffa staff absence due to sickness and COVID-19 related isolation has been monitored and reported each day so that the trigger points of the COVID-19 BCP could be managed. The first trigger (at 20% staff absence) was implemented from 30 March but the suspension of garden waste services was unpopular and Biffa was asked to consider how the services could be re-started. On the basis that the JWC was being operated under the BCP, additional costs would be incurred to resource garden waste services until Biffa staff absence reduced to less than 20% at which point normal service and staff cover arrangements (termed business as usual) could resume.
21. The JWC remained at a Business Continuity status until Biffa staff absence reduced to and was maintained at less than 20% for the week 27 April to 1 May. Daily absence continued at an average of 17% through May and June. All agreements made with regard to management of the JWC during the COVID-19 pandemic end on 30 June and a Contract Variation which describes how the parties agreed to reconcile the payments made against services received is currently pending execution.
22. The simple expectation that payments are made for services received is fundamental to all contract relationships. The JWC requires, but does not explicitly quantify, several items that are necessary for delivery of services. These items include depreciation on initial asset investments (vehicles, depot refurbishment etc.), ongoing staff pension commitments and sub-contractor commitments (e.g. tyres plus other vehicle and depot related items). Payments the councils make for services therefore include various fixed costs, which are incurred regardless of service delivery, as well as direct costs which are genuinely saved if services are not provided.
23. Members are advised that Biffa has opportunity to seek public sector support through national programmes such as the Coronavirus Job Retention Scheme and/or application of the Cabinet Office PPN 02/20 Supplier Relief. Government has been developing guidance to clarify the available mechanisms and how each is intended to be used. This is still a developing

situation for all concerned and more time is needed to fully understand all of the implications for each party to the JWC before the Variation and financial reconciliation is concluded.

Management of COVID-19 Matters: July Onwards

24. Biffa has been applying the Public Health England and Health and Safety Executive recommendations and guidance for waste services. Biffa has successfully managed to acquire and sustain good stocks of PPE and cleansing products at their depots. Daily operational practices at each depot include staggered start times to minimise contact between crews, social distancing while at work and management of potentially symptomatic staff.
25. It is noted that recent developments concerning general and widespread expectations regarding use of masks has caused some concern with different views as to the effectiveness and need to wear masks when working outside. A high level of physical exertion is experienced during collections work which means that wearing tight fitting masks is impractical.
26. Regardless of the operational difficulties and constraints that are incurred, Biffa will continue to comply with Government guidance and support the national effort to control spread of the virus. The ability to safely handle potentially infectious household waste (used tissues, wipes etc.) and the capacity to deal with increased volumes of household waste (assumed due to people working from home) are both essential activities for public health reasons. The councils will continue to support Biffa management decisions and policies as the longer term implications of the COVID-19 pandemic become apparent.
27. The client teams (the Joint Waste Office and local Supervising officers) are primarily working from home. All scheduled contract meetings have been held as conference / video calls and Joint Waste Service Plan tasks have been completed as intended (e.g. end of financial year admin and annual inflationary work).
28. It is noted that the frequency of client contract monitoring activities have been reduced and some situations remain ongoing because they would usually be resolved through a visit to the household concerned. Health and Safety related monitoring is being maintained albeit at the lowest appropriate client frequency. NI195 street cleansing inspections have recently been resumed with minimal impact on the annual monitoring schedule.

Dr Anthony Leonard
Lead Director

Risk Assessment Statement

No risks arise from the recommendation of this report.

**Business Continuity Service Plan Coronavirus (COVID-19)
East Sussex Joint Waste Partnership Service**

Planning for:

- 20% Operational staff unavailable
- 35% Operational staff unavailable
- 50% Operational staff unavailable

This document should be read alongside Business Continuity Plan

Scenario 1: 20% Operational staff unavailable

The Following services will be suspended:

- Bin Deliveries
- Fly Posting
- Fly Tip removal (non-urgent)
- Bulky Waste Collections
- Green Waste Collections

Scenario 2: 35% Operational staff unavailable

The following service will be suspended (in addition to Scenario 1):

- Street Cleansing (except town centres)
- Litter Bin Emptying (except town centres)
- Fly Tip removal (urgent incidents still to be prioritised)
- Recycling Collection Service
- Recycling NRP/Bring-Sites
- Beach Cleansing

Scenario 3: 50% Operational staff unavailable

The *only* services that will be delivered are:

- Clinical Waste Collections (to be treated as a critical service)
- Refuse Collection (Communal)
- Refuse Collection (House to House)
- Litter Bins (Town Centres)
- Emergency Response

During periods of staff unavailability an early morning conference call will be held and communications sent out to key stakeholders.

This plan is likely to change and is also subject to external influences not withstanding disposal outlets, labour and other resources.

Clinical waste will be treated as a “Critical” service in line with ESWCP Business Continuity Plan and Biffa will ensure resources are prioritised to provide this service.

Biffa will provide a daily service update each morning from Monday 16 March to the Joint Waste Partnership on Jointwaste@rother.gov.uk

The above plan will be delivered on a depot by depot basis unless agreed otherwise with the Partnership.