

FINANCE AND AUDIT SCRUTINY PANEL 13 NOVEMBER 2012

Present :- Councillor Dennis Willetts (Chairman)
Councillors Ray Gamble, Scott Greenhill, Marcus Harrington, Julia Havis, Theresa Higgins, Cyril Liddy, Jon Manning and Gerard Oxford

Substitute Member :- Councillor Mark Cable for Councillor Glenn Granger

Also in Attendance :- Councillor Martin Hunt
Councillor Paul Smith
Councillor Anne Turrell
Councillor Sue Lissimore
Councillor Will Quince

24. Minutes

The minutes of the meeting held on the **16 October 2012** was confirmed as a correct record.

25. Have Your Say!

Councillor Quince addressed the Panel explaining that he was going to speak about Waste and recycling collection, but in broader and more strategic terms than would be for the next item, the review of Four Day Recycling and Waste Collection.

Councillor Quince said one of the largest issues for ward councillors was that of waste and recycling collection, identifying issues such as recycling bins overflowing on a regular basis, clear waste sacks and missed collections. Councillor Quince said this was against a backdrop of substandard waste and recycling collections rates in Colchester, whose performance against other districts in the County had dropped from being one of the top four a few years ago to 9th position at present. Whilst Councillor Quince acknowledged that waste and recycling rates had improved by 1% recently, he didn't think this was good enough. In 2008 the Administration had promised 60% waste and recycling collection rates by 2011, but by 2012 Colchester's performance was stagnating at just above 40%. On a positive note Councillor Quince welcomed the food waste collection initiative but questioned if it had been appropriate to undertake such a trial.

Looking forward, Councillor Quince said rather than penalise residents for not recycling the right way he would like to see residents encouraged to recycle the right way through some form of incentive. Councillor Quince asked the Portfolio Holder for Street and Waste Services to consider research by Colchester into the viability of schemes devised to incentivise waste and recycling through for example, a system of vouchers or discounts.

Councillor Willetts said whilst the comments from Councillor Quince were related to the

next item, the points raised were more about the strategic direction of the Council in respect of Waste and Recycling Collections rather than the financial and operational performance of the Four Day Recycling and Waste Collection service, but was sure the Leader and Portfolio Holder will respond to the requests as and when appropriate.

In response to Councillor Manning, Councillor Quince said the need to improve waste and recycling collection rates and also reduce waste to landfill are of equal importance. The greater the level of recycling will decrease the level of landfill so both aspects of waste collection go hand in hand.

26. Four Day Recycling and Waste Collection

Councillor Hunt, Portfolio Holder for Street and Waste Services and Mr. Matthew Young, Head of Street Services attended the meeting.

Presentation

Mr. Young presented the report detailing the progress on the four day operation of four-day recycling and waste collection since the move to Tuesday to Friday collections, including the Service Benefits, Customer Benefits, Staff Views and statistical data on missed collections and other operational issues.

Mr. Young clarified that whilst the new collection routes had seen a 6% reduction in fuel usage, equating to 12,000 litres of fuel saving per annum, this saving had enabled the service to absorb the increase in fuel prices without increasing their overall costs.

With regards to the new refuse collection fleet of vehicles, Mr. Young said the vehicles are performing well over the four-day collection period, and this enables the fleet to be scheduled for servicing on the 5th day.

Mr. Young said in general, customers have welcomed the new arrangements, with more consistency and certainty in the collections. Mr. Young said staff do enjoy the four-day week. Whilst the 9-hour days are longer, there remains the incentive to task and finish which they prefer, and it provides them with three days a week off. As far as he was aware, Mr. Young said there was no dissent with a 100% acceptance of the new arrangements.

Mr. Young provided more missed-collection data to the Panel, with September registering 647 and October 449. The trend over this data period of 7 months was continuous improvement. The performance target now being set for missed collections was 78 waste collections and 101 recycling collections per week, equating to two missed collections per crew per week, 0.035% of the overall annual collections. Whilst the Council would prefer no missed collections, the target set was a tiny fraction of the collections, currently at a level of 250,000 per week. Councillor Hunt said the intention is to bring the level of missed collections down to previous levels under the old collection system, and this is achievable. Later in the discussions, Councillors G. Oxford, Gamble and Manning confirmed the number of missed collections in the Highwoods Ward, St Johns Ward and Wivenhoe Ward was extremely low with very few

complaints and that the service being provided was excellent.

Mr. Young confirmed to the Panel (following a request at the previous week's briefing) that the cost of the missed-collection service was £2,500 per month, for the costs of wages, vehicle and fuel. The person employed on this work was also responsible for completing void property collections and the tidying of the depot yard.

Have Your Say

Councillor Lissimore addressed the Panel requesting further information to that provided in the report, suggesting for example, paragraph 4.5 of the report should be providing a breakdown of the overall wages costs including overtime.

Councillor Lissimore, whilst understanding the move to a four-day collection week, said these changes, and especially when there are problems with the collection service, do cause confusion and anxiety to elderly and vulnerable residents. Councillor Lissimore said it was incumbent on the Council to be sympathetic to these residents during these times.

Councillor Lissimore posed questions to the Portfolio Holder for Street Services. Would the improved service including new fleet vehicles, reduce the affects created by broken-down vehicles, and reduce the need for additional crews to help out when there is larger recycling tonnages collected, e.g. green waste. Councillor Lissimore also asked whether the missed bins rates set-out in the report included those properties where the collection was rolled-over from a Friday to a Saturday.

General Discussion

Mr. Young confirmed that the anticipated savings of £180k from the fundamental service review had been delivered, and represented the loss of one refuse collection vehicle and crew. Mr. Young confirmed to Councillor Willetts that the £180k saving and the savings on fuel costs are all reflected in the Service Budget.

Also in response to Councillor Willetts, Mr. Young said the increase in motor vehicle insurance claims and subsequent knock-on affect on premiums was not reflected in the Service Budget and management had set-up a working group to implement an action plan designed to reduce the number of overall accidents. Mr. Young confirmed that the increase in claims was not linked to the four-day weekly collection period or the new refuse collection vehicles, but there had been a gradual increase in accidents over the last 3-4 years. Mr. Young said the cost of the new fleet will be reflected in the financial monitoring report submitted to the Panel on a regular basis.

Councillor Hunt responded to Councillor Manning, confirming the validity of recent newspaper articles that stated four-day weekly collections had increased the number of reports of vermin, but saying this was a national report not particularly related to Colchester.

Mr. Young confirmed to Councillor T. Higgins that crews do experience an increase in collections at the end of term times in areas with a high volume of students, and the

increase was mainly in residue waste. Mr. Young confirmed that the effected Zone Teams do work closely with the University to minimise the impact and the budgets do have resources built-in to cope with the peaks in workload.

In respect to equality and diversity, Mr. Young explained that Street Services do work closely with Mr. Andrew Harley, Equality and Safeguarding Coordinator and local equality and diversity groups to ensure information is provided appropriately to all groups and individuals.

Councillor T. Higgins was assured that all Zone Team operatives are instructed that when 'pulling-out' black sacks onto the pavement for collection they avoid blocking pavements, alleys and roadways. Councillor Oxford said 'pulling-out' might not inhibit some residents from leaving out excessive waste with no recycling waste, whereas individual collections might jolt residents into a positive reaction to reduce waste and increase recycling. It was agreed this was about education, and Mr. Young confirmed that Zonal teams are informed or are aware of such properties, and they do visit these residents to inform and educate.

Mr. Young confirmed that 'plastic recycling collections' was about to commence in Colchester for blocks of flats. With regards to flats, Mr. Young also said they are investigating ways of collecting food waste from flats as part of the food waste trial.

Councillor Hunt said the top six recycling districts in Essex all used wheelie bins to collect waste, and this was the obvious way to dramatically increase recycling, but this investment would not be happening whilst he remained the Portfolio Holder.

RESOLVED that the Panel;

- i) Thanked the Portfolio Holder and Head of Service for attending the meeting, presenting the report and responding to questions from the Panel.
- ii) Noted the progress of the operation of four-day recycling and waste collections.

27. Business Continuity Annual Report

Mrs. Hayley McGrath, Risk and Resilience Manager presented the report on the annual review of Business Continuity.

Business continuity is an integral part of the risk management process and the Council has two duties relating to business continuity, to be able to carry on providing its own services in the event of a disruption, and to provide advice and guidance relating to business continuity to local businesses and voluntary organisations.

Mrs. McGrath said The Business Continuity Strategy has been updated for 2012/13, and the revised Strategy was attached as appendix 1 to the report. It is considered that the strategy continues to meet the needs of the organisation and therefore there are no fundamental changes to the strategy or the business continuity process.

In regards to developing business continuity in 2012/13, this will include: i) Testing individual service plans, including working through scenarios with group management teams to ensure that their plans contain the relevant information for their services; ii) Implementing an education programme so that all staff understand the business continuity process (including a comprehensive on-line training programme at officer and manager level; and iii) Reviewing the 'specific event' plans including the Rowan House and major absence plans.

In response to Councillor Willetts and the testing of individual service plans and the several near misses in the last eighteen months (web host provider and server room issues), despite an excellent strategy, Mrs. McGrath said the strategy will not avoid issues from arising, but enables management to determine how we respond to and manage these issues.

Mrs. Hedges, Executive Director said Business Continuity is about planning for eventualities and is inextricably linked with Risk Management, the next report on the agenda. IT (Information Technology) is an integral part of the way the Council does business and as such is now a 'high risk' area of work. In respect of the first of the two issues mentioned, the web host provider went into administration and the Council responded by introducing transitional arrangements, but at no time was the web site presence lost. As a result of this issue procedures around credit worthiness have been strengthened. The second issue concerning the Server Room was an increasing risk to resilience due to its ageing condition, but there are robust plans in place to address this issue, noted in the Risk Management Strategy. Mrs. Hedges said Members will be kept in the loop in regards to progress on the work that had already started.

Responding to Councillor Havis, Mrs. Hedges explained that the recent issue in Angel Court was an example where the Business Continuity Plan did come into play. The building was evacuated when burning smells were identified and the Fire Service attended. This was a minor issue, but alternative buildings to work-in and flexible working arrangements enabled staff to move to other locations and continue their work.

RESOLVED that the Panel;

- i) Considered and noted the business continuity work undertaken during the reporting period.
- ii) Considered and commented on the review of the business continuity strategy.
- iii) Considered and noted the intended work plan for 2012-13.

28. Risk Management review April - September 2012

Mrs. McGrath presented the report on the half yearly Risk Management progress report.

The Risk Management Strategy, which forms part of the policy framework, identifies the Finance and Audit Scrutiny Panel as being responsible for reviewing the effectiveness

of the risk management process and reporting critical items to the Cabinet as necessary. Six monthly progress reports, detailing work undertaken and current issues are provided to assist with this responsibility.

In respect of the key messages Mrs. McGrath explained that there has been an increase in the number of motor vehicle insurance claims, which has resulted in additional insurance premiums being charged. The causes of these incidents have been reviewed and action is being taken to reduce claims. Also, the key risk for quarters 1 & 2 continued to be the potential impact of future central government decisions to reduce public funding, including that of partners.

As well as the above, Mrs. McGrath said the work undertaken during the reporting period included i) Updating the risk strategies and registers for both The North Essex Parking Partnership and the Colchester and Ipswich Joint Museum Service; ii) The Cabinet and Full Council had agreed the revised risk strategy and the policy framework has been updated accordingly, iii) Following the migration of the website and the intranet, work has been undertaken to review and update the electronic information relating to risk management, and iv) Work to strengthen the anti-fraud and corruption processes has continued, including working with the National Anti Fraud Network to align risk and fraud issues, developing the Ethical Governance arrangements and looking at how the Welfare Reforms may impact on fraud investigation issues.

In response to Councillor Willetts, Mrs. McGrath said the risk matrix shows high risks that had not moved down in the level of risk, but had got more spread out within the high-risk area due to a change in probability or impact. Mrs. McGrath said this was not because scoring had become harder, but that officers had become more aggressive in dealing with the risks. An example was given, namely the economy, a high risk that the Council did not have a lot of control over, but there was still a need to mitigate against. Mrs. Hedges said risks 4d (reduced public funding) and 6e (ICT resilience) will remain high-risk for some time, whilst 3e (staff motivation) was to some extent within our control, and some further work on staff motivation is currently in progress.

In response to Councillor G. Oxford, Mrs. McGrath said in respect of risk 1c The Council is unable to influence changes to the local economy, the risk increased because of the upgrading of probability in recognition of how important the Council is to the local economy, though it was recognised that external factors are outside the Council's influence. Mrs. Hedges, in respect of the risk of decline in staff motivation due to the impact of FSR (fundamental service reviews), explained to Councillor Oxford that the Council had a loyal and committed workforce, but recognised there are pockets of people who do not recognise the change and there are staff who feel uncertain about the future. The FSR process does continue, and staff will need to apply for new jobs, but where officers leave the authority in many cases the vacancy remains unfilled pending the outcomes of the future recruiting process.

Mrs. McGrath explained to Councillor Cable that reports in the past had shown previous risk assessments with the current assessment for the purpose of comparison. The assessments do not move greatly within the year and it is a matter of how much information is needed, but comparable data could be provided if requested.

RESOLVED that the Panel;

- i) Commented on and noted the work undertaken during the reporting period.
- ii) Noted the Corporate Strategic Risk Register.

29. Work Programme

In response to Councillor Higgins who suggested the Panel should review the financial and staffing impact of the temporary closure of The Castle, Councillor Willetts suggested members should see what the Portfolio Holder is proposing to do at an executive level and then decide whether scrutinising the decision was appropriate.

Mr. Robert Judd, Democratic Services Officer confirmed that the outstanding item on the financial impact of a new Park and Ride Scheme, would be reviewed at the meeting on 26 February 2013.

RESOLVED that the Panel considered and noted the revised Work Programme.