

19 September 2018

Report of	Assistant Director	Author	Richard Block
Title	Waste & Zones Futures Scope		☎ 506825
Wards affected	All		

1. Executive Summary

- 1.1 The Waste & Zones Futures work will consider these two major front-line services to consider whether there are further efficiencies and additional income that could be made. The services have a combined direct cost of £8.6m and contribute income of £4.7m. The services employ 200 Full Time Equivalents (FTEs).
- 1.2 The review will look at a range of issues and consider:
 - How the services could work better together and whether there are different ways some processes might operate
 - How we plan for the continuing housing and population growth and ensure that these services have the capacity to manage that
 - What new opportunities are emerging in this area of work
- 1.3 There are opportunities for savings and additional income that will be considered and put forward in the resulting Business Case. However, there are several areas that may create cost pressures that will also be addressed.

2. Action Required

- 2.1 The Policy and Public Initiatives Panel is asked to consider and comment on the proposed scope of the Waste & Zones Futures.

3. Reason for Review

- 3.1 As described below, this is a review of two of our major front-line services which have significant operational costs. It is essential that the review is comprehensive and feedback from as many sources as practical will help to improve the scope of the work.

4. Background Information

4.1 Background to the services

Waste and Zones are two of our biggest operational services. Waste touches every household every week and Zones is one of the key visible services in our communities.

The size of the operations, the scale and range of the work they do presents a set of challenges. In addition to the day to day challenges, the growth in the Borough adds another pressure and this Futures work will attempt to shape how we need to tackle this.

The decision to move the management of the Zones service under the leadership of the same Assistant Director as for Waste & Recycling will help to ensure that we are able to look at the opportunities more easily.

The services include a range of key functions:

- Domestic waste and recycling collections
- Trade waste collections
- Management of the Depot at Shrub End
- Fleet management
- Zones - both operational, street-based services and community-based work
- Client management of ground maintenance contract
- Cemetery and crematorium
- Market and street trading

One aspect that we need to be mindful of is that the Zone Teams deliver a lot of community-based work. We need to ensure that the connections with the services included in Communities are not lost. While there are significant synergies with the Waste Service, there are also a range of things undertaken by Zones that are very different.

4.2 Scope

The only parts of the services we think should be out of scope are:

1. Fleet – we are just going through a procurement for new fleet including both vehicles and maintenance
2. Ground maintenance contract – is largely out of scope as it still has 5 years to run. However, we should still challenge some of the assumptions in this contract such as who does what and resulting duplication. Therefore, the internal resource should be in scope

In addition, there are several issues that will not be looked at as part of this work:

1. Collection methodology for the Waste service. This was comprehensively considered as part of the changes to the Waste Service last year and while there remain many options this is not the focus of this review
2. Outsourcing the overall service is not an approach that will be considered. There may be discreet parts of Waste or Zones that may be better delivered by external suppliers, but the overall direction is to retain the services in-house and to continue to look for better ways for working
3. Charging for collection of green waste or for replacement recycling kit will not be considered

4.3 Governance of the review

A project Board has been established:

- Ann Hedges – Project Sponsor
- Richard Block – Project Manager
- Lucie Breadman – Project member and lead on communications
- Cas Clements – Project member as key manager for Zones
- Chris Dowsing – Project member as key manager for Waste & Recycling
- Richard Walker – Provides an external perspective and has experience of the IT being used in Waste
- Mandy Jones – Provides an external perspective and brings a link into Customer Services

Engagement sessions for managers and operational staff are already planned to ensure staff participate in the review. Several sub groups will be formed to look at particular areas of the review

As a Business case emerges it will be taken through several meetings for feedback and decision making as follows:

- Portfolio Holder
- Scrutiny
- Cabinet

4.4 Strategic Issues

We need to develop a longer-term strategy to ensure both services can sustain the level of delivery required and to build in resilience. We have seen how simple things like extremes of weather (both hot and cold) can impact on delivery and on customer perceptions.

These services are highly visible to residents and may be the only contact they have with the Council meaning they form an opinion of the whole organisation based on this contact.

1. Growth of the Borough and capacity of the services:
 - a. We know the Borough is growing in terms of housing numbers and population. This creates an ongoing pressure on both Waste and Zones and a very immediate pressure on Waste. A Waste round can collect from around 1,800 properties, so every additional 1,800 new houses in theory requires a new round, although it is never as simple as that.
 - b. The Waste service is at capacity and in some areas probably already beyond capacity and crews are facing longer and longer routes as new houses come on line.
 - c. For Zones there are similar issues. While we have not reduced the front line of this service, their workload increases, there are more litter bins to empty, more streets to keep clean, a greater number of people using facilities and rising expectations.
2. Other ways of working:
 - a. We have retained these services in house and largely in isolation, although we are part of the Essex Waste Partnership and the community element of Zones includes very significant partnership working.
 - b. We need to look at what partnership opportunities there might be, although recognising the constraints, particularly in Waste where partnership almost always means moving to the same collection methods. There may be other parts of the services where this approach would be useful.
3. Enforcement or not:
 - a. We have talked about increased enforcement and in some areas this is now happening, for example around aggressive begging
 - b. There are a range of opportunities around the work that both Waste and Zones undertake to be more proactive in enforcement and use a set of different powers
4. Supporting the services:

- a. We need to look at the way these services are supported with communications and administration. They create a high volume of calls and requests that need to be responded to quickly and accurately.
- 5. Depot site:
 - a. We must find a solution to the Depot which is no longer fit for purpose
 - b. Options will be developed and costed as part of this review

4.5 Areas we think there could be some savings or additional income

- 1. Management structures
- 2. Overall structure
- 3. How Waste and Zones work together
- 4. Procurement including material sales contracts
- 5. Recycling credits
- 6. Other income opportunities, including, but not exclusively:
 - a. trade waste
 - b. market
 - c. cemetery and crematorium
- 7. Basic efficiencies
- 8. Process re-engineering to reduce duplication
- 9. Technology and new ideas
- 10. Things we might stop
- 11. Doing things differently e.g. using external suppliers for bits of discreet service
- 12. Further customer behaviour change
- 13. Managing demand e.g. around recycling kit

4.6 Areas which could bring cost pressures

- 1. Capacity to continue delivering the basic service especially, but not exclusively, in Waste as housing growth continues
- 2. New technologies/different ways of doing things that might help with capacity but are likely to have up-front costs and possible revenue commitments
- 3. A decision on the Depot development which is becoming more urgent
- 4. New equipment that might do a better job

4.7 Some of the basics we want to look at

We need to look at:

- 1. Capacity in the service and the impact of housing growth and how we manage this going forward
- 2. What we do and how much it costs and what income we make
- 3. How we perform, performance measures
- 4. The range of processes some of which we know are broken
- 5. What operational staff think works or needs to change
- 6. Existing Information Technology and how we use it as well as new opportunities

4.8 New ideas

There are lots of new ideas out there and we would like to explore them. Here are a few:

- Solar bins – these are used in several other local authority areas and we need to do some research about how they work and whether they would be suitable in Colchester

- Gumdrop – a unique concept that encourages people to put their gum into specific containers. The gum and containers are then recycled by Gumdrop
- Garden Communities – different approaches to waste and recycling collection. We are unlikely to come to a conclusion in this review, but we want to flag our desire to be involved early to look at opportunities

4.9 Next Steps

We will:

- Work with managers and staff to look at the opportunities to develop the Business Case
- Aim to have first draft Business Case in early January 2019
- The Business Case will go to Scrutiny for review as part of the consultation process

5. Equality, Diversity and Human Rights implications

- 5.1 Equality Impact Assessments exist for these services. If significant changes emerge in the Business Case that might impact on equality or diversity issues a new EQIA will be developed.

6. Strategic Plan References

- 6.1 The work links very clearly to the Strategic Plan priorities:
- Encourage re-use and recycling to reduce waste to landfill
 - Encourage belonging, involvement and responsibility in all the borough's communities
 - Educate those residents who behave anti-socially about the impact of their behaviour.

7. Consultation

- 7.1 There will be consultation with staff during the review to gather their thoughts and ideas. Any staff impacted by proposals will also be formally consulted as the Business Case emerges. Consultation will be undertaken with Councillors by taking the Business Case through meetings as described above.

8. Publicity Considerations

- 8.1 These are services that impact on all our residents and any changes will need to be clearly communicated. As the Business Case is put together a communications plan will be developed as appropriate.

9. Financial implications

- 9.1 The total direct expenditure of these two services is £8.6m. There are a range of fixed costs and areas where staff savings are unlikely e.g. waste crews.
- 9.2 Income across the two services totals £4.7m. The largest income producing areas are:
- Recycling credits - £1.5m
 - Bereavement services - £1.4m
 - Trade Waste - £530k

9.3 It is expected that savings and additional income will be identified as part of the review. Full details of how these will be delivered will be included in the Business Case.

10. Health, Wellbeing and Community Safety Implications

N/A

11. Health and Safety Implications

N/A

12. Risk Management Implications

N/A